

1 AN ACT concerning State government.

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

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

7 (20 ILCS 605/605-1115 new)

8 Sec. 605-1115. Quantum computing campuses.

9 (a) As used in this Section:

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

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

1 considered a part of regular hours.

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

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

1 square mile and not more than 4 square miles;

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

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

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

16 (B) ENERGY STAR;

17 (C) Envision;

18 (D) ISO 50001-energy management;

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

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

23 (G) UL 3223; or

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

26 (b) Tenants located in a designated quantum computing

1 campus shall qualify for the following exemptions and credits:

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

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

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

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

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

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

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

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

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

15 (2) the number of new jobs created;

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

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

22 (5) the duration of the exemptions; and

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

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

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

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

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

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

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

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

16 and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

21 (I) the business intends to establish a new  
22 battery energy storage solution facility at a  
23 designated location in Illinois. As used in this  
24 paragraph (I):

25 "New battery energy storage solution facility"  
26 means a newly constructed battery energy storage

1 facility, a newly constructed expansion of an existing  
2 battery energy storage facility, or the replacement of  
3 an existing battery energy storage facility that  
4 stores electricity using battery devices and other  
5 means, and such facility shall be deemed to include  
6 any permanent structures associated with the battery  
7 energy storage facility and all associated  
8 transmission lines, substations, and other equipment  
9 related to the storage and transmission of electric  
10 power that has a capacity of not less than 100 megawatt  
11 and storage capability of not less than 200 megawatt  
12 hours of energy; and

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

17 (b) Businesses designated as High Impact Businesses  
18 pursuant to subdivision (a)(3)(A) of this Section shall  
19 qualify for the credits and exemptions described in the  
20 following Acts: Section 9-222 and Section 9-222.1A of the  
21 Public Utilities Act, subsection (h) of Section 201 of the  
22 Illinois Income Tax Act, and Section 1d of the Retailers'  
23 Occupation Tax Act; provided that these credits and exemptions  
24 described in these Acts shall not be authorized until the  
25 minimum investments set forth in subdivision (a)(3)(A) of this  
26 Section have been placed in service in qualified properties



1 and, in the case of the exemptions described in the Public  
2 Utilities Act and Section 1d of the Retailers' Occupation Tax  
3 Act, the minimum full-time equivalent jobs or full-time  
4 retained jobs set forth in subdivision (a)(3)(A) of this  
5 Section have been created or retained. Businesses designated  
6 as High Impact Businesses under this Section shall also  
7 qualify for the exemption described in Section 51 of the  
8 Retailers' Occupation Tax Act. The credit provided in  
9 subsection (h) of Section 201 of the Illinois Income Tax Act  
10 shall be applicable to investments in qualified property as  
11 set forth in subdivision (a)(3)(A) of this Section.

12 (b-5) Businesses designated as High Impact Businesses  
13 pursuant to subdivisions (a)(3)(B), (a)(3)(B-5), (a)(3)(C),  
14 (a)(3)(D), ~~and~~ (a)(3)(G), and (a)(3)(H) of this Section shall  
15 qualify for the credits and exemptions described in the  
16 following Acts: Section 51 of the Retailers' Occupation Tax  
17 Act, Section 9-222 and Section 9-222.1A of the Public  
18 Utilities Act, and subsection (h) of Section 201 of the  
19 Illinois Income Tax Act; however, the credits and exemptions  
20 authorized under Section 9-222 and Section 9-222.1A of the  
21 Public Utilities Act, and subsection (h) of Section 201 of the  
22 Illinois Income Tax Act shall not be authorized until the new  
23 electric generating facility, the new gasification facility,  
24 the new transmission facility, the new, expanded, or reopened  
25 coal mine, ~~or~~ the new cultured cell material food production  
26 facility, or the existing or planned grocery store is

1 operational, except that a new electric generating facility  
2 whose primary fuel source is natural gas is eligible only for  
3 the exemption under Section 51 of the Retailers' Occupation  
4 Tax Act.

5 (b-6) Businesses designated as High Impact Businesses  
6 pursuant to subdivision (a) (3) (E) or (a) (3) (E-5) of this  
7 Section shall qualify for the exemptions described in Section  
8 51 of the Retailers' Occupation Tax Act; any business so  
9 designated as a High Impact Business being, for purposes of  
10 this Section, a "Wind Energy Business".

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

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

25 (d) Except for businesses contemplated under subdivision  
26 (a) (3) (E), (a) (3) (E-5), ~~or~~ (a) (3) (G), or (a) (3) (H) of this

1 Section, existing Illinois businesses which apply for  
2 designation as a High Impact Business must provide the  
3 Department with the prospective plan for which 1,500 full-time  
4 retained jobs would be eliminated in the event that the  
5 business is not designated.

6 (e) Except for new businesses contemplated under  
7 subdivision (a) (3) (E), ~~or~~ subdivision (a) (3) (G), or  
8 subdivision (a) (3) (H) of this Section, new proposed facilities  
9 which apply for designation as High Impact Business must  
10 provide the Department with proof of alternative non-Illinois  
11 sites which would receive the proposed investment and job  
12 creation in the event that the business is not designated as a  
13 High Impact Business.

14 (f) Except for businesses contemplated under subdivision  
15 (a) (3) (E), ~~or~~ subdivision (a) (3) (G), or subdivision (a) (3) (H)  
16 of this Section, in the event that a business is designated a  
17 High Impact Business and it is later determined after  
18 reasonable notice and an opportunity for a hearing as provided  
19 under the Illinois Administrative Procedure Act, that the  
20 business would have placed in service in qualified property  
21 the investments and created or retained the requisite number  
22 of jobs without the benefits of the High Impact Business  
23 designation, the Department shall be required to immediately  
24 revoke the designation and notify the Director of the  
25 Department of Revenue who shall begin proceedings to recover  
26 all wrongfully exempted State taxes with interest. The

1 business shall also be ineligible for all State funded  
2 Department programs for a period of 10 years.

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

6 (h) Prior to designating a business, the Department shall  
7 provide the members of the General Assembly and Commission on  
8 Government Forecasting and Accountability with a report  
9 setting forth the terms and conditions of the designation and  
10 guarantees that have been received by the Department in  
11 relation to the proposed business being designated.

12 (i) High Impact Business construction jobs credit.  
13 Beginning on January 1, 2021, a High Impact Business may  
14 receive a tax credit against the tax imposed under subsections  
15 (a) and (b) of Section 201 of the Illinois Income Tax Act in an  
16 amount equal to 50% of the amount of the incremental income tax  
17 attributable to High Impact Business construction jobs credit  
18 employees employed in the course of completing a High Impact  
19 Business construction jobs project. However, the High Impact  
20 Business construction jobs credit may equal 75% of the amount  
21 of the incremental income tax attributable to High Impact  
22 Business construction jobs credit employees if the High Impact  
23 Business construction jobs credit project is located in an  
24 underserved area.

25 The Department shall certify to the Department of Revenue:

26 (1) the identity of taxpayers that are eligible for the High

1 Impact Business construction jobs credit; and (2) the amount  
2 of High Impact Business construction jobs credits that are  
3 claimed pursuant to subsection (h-5) of Section 201 of the  
4 Illinois Income Tax Act in each taxable year. ~~Any business~~  
5 ~~entity that receives a High Impact Business construction jobs~~  
6 ~~credit shall maintain a certified payroll pursuant to~~  
7 ~~subsection (j) of this Section.~~

8 As used in this subsection (i):

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

17 "High Impact Business construction job employee" means a  
18 laborer or worker who is employed by a ~~an Illinois~~ contractor  
19 or subcontractor in the actual construction work on the site  
20 of a High Impact Business construction job project.

21 "High Impact Business construction jobs project" means  
22 building a structure or building or making improvements of any  
23 kind to real property, undertaken and commissioned by a  
24 business that was designated as a High Impact Business by the  
25 Department. The term "High Impact Business construction jobs  
26 project" does not include the routine operation, routine

1 repair, or routine maintenance of existing structures,  
2 buildings, or real property.

3 "Incremental income tax" means the total amount withheld  
4 during the taxable year from the compensation of High Impact  
5 Business construction job employees.

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

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

10 (2) 35% or more of the families with children in the  
11 area are living below 130% of the poverty line, according  
12 to the latest American Community Survey;

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

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

22 (j) (Blank). ~~Each contractor and subcontractor who is~~  
23 ~~engaged in and executing a High Impact Business Construction~~  
24 ~~jobs project, as defined under subsection (i) of this Section,~~  
25 ~~for a business that is entitled to a credit pursuant to~~  
26 ~~subsection (i) of this 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 a High Impact Business Construction Jobs~~  
5           ~~Project, records for all laborers and other workers~~  
6           ~~employed by the contractor or subcontractor on the~~  
7           ~~project; the records shall 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;~~

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

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

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

23           ~~(2) no later than the 15th day of each calendar month,~~  
24           ~~provide a certified payroll for the immediately preceding~~  
25           ~~month to the taxpayer in charge of the High Impact~~  
26           ~~Business construction jobs project; within 5 business days~~

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

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

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

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

24 ~~Any contractor or subcontractor subject to this~~  
25 ~~subsection, and any officer, employee, or agent of such~~  
26 ~~contractor or subcontractor whose duty as an officer,~~



1 ~~employee, or agent it is to file a certified payroll under this~~  
2 ~~subsection, who willfully fails to file such a certified~~  
3 ~~payroll on or before the date such certified payroll is~~  
4 ~~required by this paragraph to be filed and any person who~~  
5 ~~willfully files a false certified payroll that is false as to~~  
6 ~~any material fact is in violation of this Act and guilty of a~~  
7 ~~Class A misdemeanor.~~

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

14 ~~The records submitted in accordance with this subsection~~  
15 ~~shall be considered public records, except an employee's~~  
16 ~~address, telephone number, and social security number, and~~  
17 ~~made available in accordance with the Freedom of Information~~  
18 ~~Act. The Department of Labor shall share the information with~~  
19 ~~the Department in order to comply with the awarding of a High~~  
20 ~~Impact Business construction jobs credit. A contractor,~~  
21 ~~subcontractor, or public body may retain records required~~  
22 ~~under this Section in paper or electronic format.~~

23 (j-5) Annually, until construction is completed, a company  
24 seeking High Impact Business Construction Job credits shall  
25 submit a report that, at a minimum, describes the projected  
26 project scope, timeline, and anticipated budget. Once the

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

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

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

15 (k) Upon 7 business days' notice, each taxpayer ~~contractor~~  
16 ~~and subcontractor~~ shall make available to each State agency  
17 and to federal, State, or local law enforcement agencies and  
18 prosecutors for inspection and copying at a location within  
19 this State during reasonable hours, the report under  
20 subsection (j-5) ~~records identified in this subsection (j) to~~  
21 ~~the taxpayer in charge of the High Impact Business~~  
22 ~~construction jobs project, its officers and agents, the~~  
23 ~~Director of the Department of Labor and his or her deputies and~~  
24 ~~agents, and to federal, State, or local law enforcement~~  
25 ~~agencies and prosecutors.~~

26 (l) The changes made to this Section by Public Act

1 ~~102-1125 this amendatory Act of the 102nd General Assembly,~~  
2 other than the changes in subsection (a), apply to High Impact  
3 Businesses ~~high impact businesses~~ that submit applications on  
4 or after February 3, 2023 (the effective date of Public Act  
5 102-1125) ~~this amendatory Act of the 102nd General Assembly.~~

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

10 (20 ILCS 655/13)

11 Sec. 13. Enterprise Zone construction jobs credit.

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

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

11 Within 45 days after receipt of an application, the  
12 Department shall give notice to the applicant as to whether  
13 the application has been approved or disapproved. If the  
14 Department disapproves the application, it shall specify the  
15 reasons for this decision and allow 60 days for the applicant  
16 to amend and resubmit its application. The Department shall  
17 provide assistance upon request to applicants. Resubmitted  
18 applications shall receive the Department's approval or  
19 disapproval within 30 days after the application is  
20 resubmitted. Those resubmitted applications satisfying initial  
21 Department objectives shall be approved unless reasonable  
22 circumstances warrant disapproval.

23 On an annual basis, the designated zone organization shall  
24 furnish a statement to the Department on the programmatic and  
25 financial status of any approved project and an audited  
26 financial statement of the project.

1           The Department shall certify to the Department of Revenue  
2 the identity of taxpayers who are eligible for the credits and  
3 the amount of credits that are claimed pursuant to  
4 subparagraph (8) of subsection (f) of Section 201 the Illinois  
5 Income Tax Act.

6           The Enterprise Zone construction jobs credit project must  
7 be undertaken by the business entity in the course of  
8 completing a project that complies with the criteria contained  
9 in Section 4 of this Act and is undertaken in a certified  
10 Enterprise Zone. The Department shall adopt any necessary  
11 rules for the implementation of this subsection (b).

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

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

24           In order to receive credit for construction expenses, the  
25 company must provide the Department with evidence that a  
26 certified third-party executed an Agreed-Upon Procedure (AUP)

1 verifying the construction expenses or accept the standard  
2 construction wage expense estimated by the Department.

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

7 ~~Each contractor and subcontractor who is engaged in and is~~  
8 ~~executing an Enterprise Zone construction jobs credit project~~  
9 ~~for a business that is entitled to a credit pursuant to this~~  
10 ~~Section shall:~~

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

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

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

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

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

22 ~~(E) the worker's classification or~~  
23 ~~classifications;~~

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

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

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

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

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

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

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

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

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

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

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

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



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

5       Upon 7 business days' notice, the taxpayer ~~contractor and~~  
6 ~~each subcontractor~~ shall make available to any 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 this  
10 subsection (d) ~~records identified in paragraph (1) of this~~  
11 ~~subsection to the taxpayer in charge of the project, its~~  
12 ~~officers and agents, the Director of Labor and his or her~~  
13 ~~deputies and agents, and to federal, State, or local law~~  
14 ~~enforcement agencies and prosecutors.~~

15       (e) As used in this Section:

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

20       "Enterprise Zone construction jobs credit employee" means  
21 a laborer or worker who is employed by a ~~an Illinois~~ contractor  
22 or subcontractor in the actual construction work on the site  
23 of an Enterprise Zone construction jobs credit project.

24       "Enterprise Zone construction jobs credit project" means  
25 building a structure or building or making improvements of any  
26 kind to real property commissioned and paid for by a business

1 that has applied and been approved for an Enterprise Zone  
2 construction jobs credit pursuant to this Section. "Enterprise  
3 Zone construction jobs credit project" does not include the  
4 routine operation, routine repair, or routine maintenance of  
5 existing structures, buildings, or real property.

6 "Incremental income tax" means the total amount withheld  
7 during the taxable year from the compensation of Enterprise  
8 Zone construction jobs credit employees.

9 "Underserved area" means a geographic area that meets one  
10 or more of the following 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. 101-9, eff. 6-5-19; 102-108, eff. 1-1-22;  
26 102-558, eff. 8-20-21.)

1           Section 15. The Reimagining Energy and Vehicles in  
2 Illinois Act is amended by changing Sections 10, 20, 35, 45,  
3 65, 95, and 105 as follows:

4           (20 ILCS 686/10)

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

6           "Advanced battery" means a battery that consists of a  
7 battery cell that can be integrated into a module, pack, or  
8 system to be used in energy storage applications, including a  
9 battery used in an electric vehicle or the electric grid.

10          "Advanced battery component" means a component of an  
11 advanced battery, including materials, enhancements,  
12 enclosures, anodes, cathodes, electrolytes, cells, and other  
13 associated technologies that comprise an advanced battery.

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

16          "Applicant" means a taxpayer that (i) operates a business  
17 in Illinois or is planning to locate a business within the  
18 State of Illinois and (ii) is engaged in interstate or  
19 intrastate commerce as an electric vehicle manufacturer, an  
20 electric vehicle component parts manufacturer, or an electric  
21 vehicle power supply equipment manufacturer. For applications  
22 for credits under this Act that are submitted on or after the  
23 effective date of this amendatory Act of the 102nd General  
24 Assembly, "applicant" also includes a taxpayer that (i)

1 operates a business in Illinois or is planning to locate a  
2 business within the State of Illinois and (ii) is engaged in  
3 interstate or intrastate commerce as a renewable energy  
4 manufacturer. "Applicant" does not include a taxpayer who  
5 closes or substantially reduces by more than 50% operations at  
6 one location in the State and relocates substantially the same  
7 operation to another location in the State. This does not  
8 prohibit a Taxpayer from expanding its operations at another  
9 location in the State. This also does not prohibit a Taxpayer  
10 from moving its operations from one location in the State to  
11 another location in the State for the purpose of expanding the  
12 operation, provided that the Department determines that  
13 expansion cannot reasonably be accommodated within the  
14 municipality or county in which the business is located, or,  
15 in the case of a business located in an incorporated area of  
16 the county, within the county in which the business is  
17 located, after conferring with the chief elected official of  
18 the municipality or county and taking into consideration any  
19 evidence offered by the municipality or county regarding the  
20 ability to accommodate expansion within the municipality or  
21 county.

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

25 "Battery raw materials refining service provider" means a  
26 business that operates a facility that filters, sifts, and

1 treats battery raw materials for use in an advanced battery.

2 "Battery recycling and reuse manufacturer" means a  
3 manufacturer that is primarily engaged in the recovery,  
4 retrieval, processing, recycling, or recirculating of battery  
5 raw materials for new use in electric vehicle batteries.

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

18 "Credit" means either a "REV Illinois Credit" or a "REV  
19 Construction Jobs Credit" agreed to between the Department and  
20 applicant under this Act.

21 "Department" means the Department of Commerce and Economic  
22 Opportunity.

23 "Director" means the Director of Commerce and Economic  
24 Opportunity.

25 "Electric vehicle" means a vehicle that is exclusively  
26 powered by and refueled by electricity, including electricity

1 generated through a hydrogen fuel cells or solar technology.  
2 "Electric vehicle", except when referencing aircraft with  
3 hybrid electric propulsion systems, does not include hybrid  
4 electric vehicles, electric bicycles, or extended-range  
5 electric vehicles that are also equipped with conventional  
6 fueled propulsion or auxiliary engines.

7 "Electric vehicle manufacturer" means a new or existing  
8 manufacturer that is primarily focused on reequipping,  
9 expanding, or establishing a manufacturing facility in  
10 Illinois that produces electric vehicles as defined in this  
11 Section.

12 "Electric vehicle component parts manufacturer" means a  
13 new or existing manufacturer that is focused on reequipping,  
14 expanding, or establishing a manufacturing facility in  
15 Illinois that produces parts or accessories used in electric  
16 vehicles, as defined by this Section, including advanced  
17 battery component parts. The changes to this definition of  
18 "electric vehicle component parts manufacturer" apply to  
19 agreements under this Act that are entered into on or after the  
20 effective date of this amendatory Act of the 102nd General  
21 Assembly.

22 "Electric vehicle power supply equipment" means the  
23 equipment used specifically for the purpose of delivering  
24 electricity to an electric vehicle, including hydrogen fuel  
25 cells or solar refueling infrastructure.

26 "Electric vehicle power supply manufacturer" means a new

1 or existing manufacturer that is focused on reequipping,  
2 expanding, or establishing a manufacturing facility in  
3 Illinois that produces electric vehicle power supply equipment  
4 used for the purpose of delivering electricity to an electric  
5 vehicle, including hydrogen fuel cell or solar refueling  
6 infrastructure.

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

9 "Electric vehicle powertrain technology manufacturer"  
10 means a new or existing manufacturer that is focused on  
11 reequipping, expanding, or establishing a manufacturing  
12 facility in Illinois that develops and validates electric  
13 vehicle powertrain technology for use in aerospace propulsion.

14 "Electric vertical takeoff and landing aircraft" or "eVTOL  
15 aircraft" means a fully electric aircraft that lands and takes  
16 off vertically.

17 "Energy Transition Area" means a county with less than  
18 100,000 people or a municipality that contains one or more of  
19 the following:

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

25 (2) a coal mine that was closed or had operations  
26 significantly reduced within 6 years before the time of

1 the application or is anticipated to be closed or have  
2 operations significantly reduced within 6 years following  
3 the time of the application.

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

12 "Green steel manufacturer" means an entity that  
13 manufactures steel without the use of fossil fuels and with  
14 zero net carbon emissions.

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 "Minority person" means a minority person as defined in  
26 the Business Enterprise for Minorities, Women, and Persons



1 with Disabilities Act.

2 "New employee" means a newly-hired full-time employee  
3 employed to work at the project site and whose work is directly  
4 related to the project.

5 "Noncompliance date" means, in the case of a taxpayer that  
6 is not complying with the requirements of the agreement or the  
7 provisions of this Act, the day following the last date upon  
8 which the taxpayer was in compliance with the requirements of  
9 the agreement and the provisions of this Act, as determined by  
10 the Director, pursuant to Section 70.

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

14 "Placed in service" means the state or condition of  
15 readiness, availability for a specifically assigned function,  
16 and the facility is constructed and ready to conduct its  
17 facility operations to manufacture goods.

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

21 "Program" means the Reimagining Energy and Vehicles in  
22 Illinois Program (the REV Illinois Program) established in  
23 this Act.

24 "Project" or "REV Illinois Project" means a for-profit  
25 economic development activity for the manufacture of electric  
26 vehicles, electric vehicle component parts, electric vehicle

1 power supply equipment, or renewable energy products, which is  
2 designated by the Department as a REV Illinois Project and is  
3 the subject of an agreement.

4 "Recycling facility" means a location at which the  
5 taxpayer disposes of batteries and other component parts in  
6 manufacturing of electric vehicles, electric vehicle component  
7 parts, or electric vehicle power supply equipment.

8 "Related member" means a person that, with respect to the  
9 taxpayer during any portion of the taxable year, is any one of  
10 the following:

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

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

23 (3) A corporation, and any party related to the  
24 corporation in a manner that would require an attribution  
25 of stock from the corporation under the attribution rules  
26 of Section 318 of the Internal Revenue Code, if the

1 Taxpayer owns directly, indirectly, beneficially, or  
2 constructively at least 50% of the value of the  
3 corporation's outstanding stock.

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

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

18 "Renewable energy" means energy produced using the  
19 materials and sources of energy through which renewable energy  
20 resources are generated.

21 "Renewable energy manufacturer" means a manufacturer whose  
22 primary function is to manufacture or assemble: (i) equipment,  
23 systems, or products used to produce renewable or nuclear  
24 energy; (ii) products used for energy ~~conservation~~, storage,  
25 or grid efficiency purposes; or (iii) component parts for that  
26 equipment or those systems or products.

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

3 "Research and development" means work directed toward the  
4 innovation, introduction, and improvement of products and  
5 processes. "Research and development" includes all levels of  
6 research and development that directly result in the potential  
7 manufacturing and marketability of renewable energy, electric  
8 vehicles, electric vehicle component parts, and electric or  
9 hybrid aircraft.

10 "Retained employee" means a full-time employee employed by  
11 the taxpayer prior to the term of the Agreement who continues  
12 to be employed during the term of the agreement whose job  
13 duties are directly related to the project. The term "retained  
14 employee" does not include any individual who has a direct or  
15 an indirect ownership interest of at least 5% in the profits,  
16 equity, capital, or value of the taxpayer or a child,  
17 grandchild, parent, or spouse, other than a spouse who is  
18 legally separated from the individual, of any individual who  
19 has a direct or indirect ownership of at least 5% in the  
20 profits, equity, capital, or value of the taxpayer. The  
21 changes to this definition of "retained employee" apply to  
22 agreements for credits under this Act that are entered into on  
23 or after the effective date of this amendatory Act of the 102nd  
24 General Assembly.

25 "REV Illinois credit" means a credit agreed to between the  
26 Department and the applicant under this Act that is based on

1 the incremental income tax attributable to new employees and,  
2 if applicable, retained employees, and on training costs for  
3 such employees at the applicant's project.

4 "REV construction jobs credit" means a credit agreed to  
5 between the Department and the applicant under this Act that  
6 is based on the incremental income tax attributable to  
7 construction wages paid in connection with construction of the  
8 project facilities.

9 "Statewide baseline" means the total number of full-time  
10 employees of the applicant and any related member employed by  
11 such entities at the time of application for incentives under  
12 this Act.

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

16 "Training costs" means costs incurred to upgrade the  
17 technological skills of full-time employees in Illinois and  
18 includes: curriculum development; training materials  
19 (including scrap product costs); trainee domestic travel  
20 expenses; instructor costs (including wages, fringe benefits,  
21 tuition and domestic travel expenses); rent, purchase or lease  
22 of training equipment; and other usual and customary training  
23 costs. "Training costs" do not include costs associated with  
24 travel outside the United States (unless the Taxpayer receives  
25 prior written approval for the travel by the Director based on  
26 a showing of substantial need or other proof the training is

1 not reasonably available within the United States), wages and  
2 fringe benefits of employees during periods of training, or  
3 administrative cost related to full-time employees of the  
4 taxpayer.

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

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

10 (20 ILCS 686/20)

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

12 (a) The Reimagining Energy and Vehicles in Illinois (REV  
13 Illinois) Program is hereby established and shall be  
14 administered by the Department. The Program will provide  
15 financial incentives to any one or more of the following: (1)  
16 eligible manufacturers of electric vehicles, electric vehicle  
17 component parts, and electric vehicle power supply equipment;  
18 (2) battery recycling and reuse manufacturers; (3) battery raw  
19 materials refining service providers; or (4) renewable energy  
20 manufacturers.

21 (b) Any taxpayer planning a project to be located in  
22 Illinois may request consideration for designation of its  
23 project as a REV Illinois 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 a specified number of  
2 full-time employees at a designated location in Illinois. As  
3 circumstances require, the Department shall require a formal  
4 application from an applicant and a formal letter of request  
5 for assistance.

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

8 (1) if the applicant is an electric vehicle  
9 manufacturer:

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

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

15 (C) create at least 500 new full-time employee  
16 jobs; or

17 (2) if the applicant is an electric vehicle component  
18 parts manufacturer, ~~or~~ a renewable energy manufacturer, a  
19 green steel manufacturer, or an entity engaged in  
20 research, development, or manufacturing of eVTOL aircraft  
21 or hybrid-electric or fully electric propulsion systems  
22 for airliners:

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

25 (B) manufacture one or more parts that are  
26 primarily used for electric vehicle, renewable energy,

1           or green steel manufacturing;

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

5           (D) create at least 150 new full-time employee  
6           jobs; or

7           (3) if the agreement is entered into before the  
8           effective date of this amendatory Act of the 102nd General  
9           Assembly and the applicant is an electric vehicle  
10          manufacturer, an electric vehicle power supply equipment  
11          manufacturer, an electric vehicle component part  
12          manufacturer, renewable energy manufacturer, or green  
13          steel manufacturer that does not qualify under paragraph  
14          (2) above, a battery recycling and reuse manufacturer, or  
15          a battery raw materials refining service provider:

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

18           (B) for electric vehicle component part  
19           manufacturers, manufacture one or more parts that are  
20           primarily used for electric vehicle manufacturing;

21           (C) to be placed in service within the State  
22           within a 48-month period after approval of the  
23           application; and

24           (D) create at least 50 new full-time employee  
25           jobs; or

26           (3.1) if the agreement is entered into on or after the



1 effective date of this amendatory Act of the 102nd General  
2 Assembly and the applicant is an electric vehicle  
3 manufacturer, an electric vehicle power supply equipment  
4 manufacturer, an electric vehicle component part  
5 manufacturer, a renewable energy manufacturer, a green  
6 steel manufacturer, or an entity engaged in research,  
7 development, or manufacturing of eVTOL aircraft or  
8 hybrid-electric or fully electric propulsion systems for  
9 airliners that does not qualify under paragraph (2) above,  
10 ~~a renewable energy manufacturer that does not qualify~~  
11 ~~under paragraph (2) above,~~ a battery recycling and reuse  
12 manufacturer, or a battery raw materials refining service  
13 provider:

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

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

19 (C) to be placed in service within the State  
20 within a 48-month period after approval of the  
21 application; and

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

26 (4) if the agreement is entered into before the

1 effective date of this amendatory Act of the 102nd General  
2 Assembly and the applicant is an electric vehicle  
3 manufacturer or electric vehicle component parts  
4 manufacturer with existing operations within Illinois that  
5 intends to convert or expand, in whole or in part, the  
6 existing facility from traditional manufacturing to  
7 primarily electric vehicle manufacturing, electric vehicle  
8 component parts manufacturing, an ~~or~~ electric vehicle  
9 power supply equipment manufacturing, or a green steel  
10 manufacturer:

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

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

16 (C) create the lesser of 75 new full-time employee  
17 jobs or new full-time employee jobs equivalent to 10%  
18 of the Statewide baseline applicable to the taxpayer  
19 and any related member at the time of application;

20 (4.1) if the agreement is entered into on or after the  
21 effective date of this amendatory Act of the 102nd General  
22 Assembly and the applicant (i) is an electric vehicle  
23 manufacturer, an electric vehicle component parts  
24 manufacturer, ~~or~~ a renewable energy manufacturer, a green  
25 steel manufacturer, or an entity engaged in research,  
26 development, or manufacturing of eVTOL aircraft or hybrid

1       electric or fully electric propulsion systems for  
2       airliners and (ii) has existing operations within Illinois  
3       that the applicant intends to convert or expand, in whole  
4       or in part, from traditional manufacturing to electric  
5       vehicle manufacturing, electric vehicle component parts  
6       manufacturing, renewable energy manufacturing, or electric  
7       vehicle power supply equipment manufacturing:

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

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

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

17              (5) if the agreement is entered into on or after the  
18              effective date of the changes made to this Section by this  
19              amendatory Act of the 103rd General Assembly and before  
20              June 1, 2024 and the applicant (i) is an electric vehicle  
21              manufacturer, an electric vehicle component parts  
22              manufacturer, or a renewable energy manufacturer or (ii)  
23              has existing operations within Illinois that the applicant  
24              intends to convert or expand, in whole or in part, from  
25              traditional manufacturing to electric vehicle  
26              manufacturing, electric vehicle component parts

1 manufacturing, renewable energy manufacturing, or electric  
2 vehicle power supply equipment manufacturing:

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

10 (d) For agreements entered into prior to April 19, 2022  
11 (the effective date of Public Act 102-700), for any applicant  
12 creating the full-time employee jobs noted in subsection (c),  
13 those jobs must have a total compensation equal to or greater  
14 than 120% of the average wage paid to full-time employees in  
15 the county where the project is located, as determined by the  
16 U.S. Bureau of Labor Statistics. For agreements entered into  
17 on or after April 19, 2022 (the effective date of Public Act  
18 102-700), for any applicant creating the full-time employee  
19 jobs noted in subsection (c), those jobs must have a  
20 compensation equal to or greater than 120% of the average wage  
21 paid to full-time employees in a similar position within an  
22 occupational group in the county where the project is located,  
23 as determined by the Department.

24 (e) For any applicant, within 24 months after being placed  
25 in service, it must certify to the Department that it is carbon  
26 neutral or has attained certification under one of more of the

1 following green building standards:

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

3 (2) ENERGY STAR;

4 (3) Envision;

5 (4) ISO 50001 - energy management;

6 (5) LEED for Building Design and Construction or LEED  
7 for Building Operations and Maintenance;

8 (6) Green Globes for New Construction or Green Globes  
9 for Existing Buildings; or

10 (7) UL 3223.

11 (f) Each applicant must outline its hiring plan and  
12 commitment to recruit and hire full-time employee positions at  
13 the project site. The hiring plan may include a partnership  
14 with an institution of higher education to provide  
15 internships, including, but not limited to, internships  
16 supported by the Clean Jobs Workforce Network Program, or  
17 full-time permanent employment for students at the project  
18 site. Additionally, the applicant may create or utilize  
19 participants from apprenticeship programs that are approved by  
20 and registered with the United States Department of Labor's  
21 Bureau of Apprenticeship and Training. The applicant may apply  
22 for apprenticeship education expense credits in accordance  
23 with the provisions set forth in 14 Ill. Adm. Code 522. Each  
24 applicant is required to report annually, on or before April  
25 15, on the diversity of its workforce in accordance with  
26 Section 50 of this Act. For existing facilities of applicants

1 under paragraph (3) of subsection (b) above, if the taxpayer  
2 expects a reduction in force due to its transition to  
3 manufacturing electric vehicle, electric vehicle component  
4 parts, or electric vehicle power supply equipment, the plan  
5 submitted under this Section must outline the taxpayer's plan  
6 to assist with retraining its workforce aligned with the  
7 taxpayer's adoption of new technologies and anticipated  
8 efforts to retrain employees through employment opportunities  
9 within the taxpayer's workforce.

10 (g) Each applicant must demonstrate a contractual or other  
11 relationship with a recycling facility, or demonstrate its own  
12 recycling capabilities, at the time of application and report  
13 annually a continuing contractual or other relationship with a  
14 recycling facility and the percentage of batteries used in  
15 electric vehicles recycled throughout the term of the  
16 agreement.

17 (h) A taxpayer may not enter into more than one agreement  
18 under this Act with respect to a single address or location for  
19 the same period of time. Also, a taxpayer may not enter into an  
20 agreement under this Act with respect to a single address or  
21 location for the same period of time for which the taxpayer  
22 currently holds an active agreement under the Economic  
23 Development for a Growing Economy Tax Credit Act. This  
24 provision does not preclude the applicant from entering into  
25 an additional agreement after the expiration or voluntary  
26 termination of an earlier agreement under this Act or under

1 the Economic Development for a Growing Economy Tax Credit Act  
2 to the extent that the taxpayer's application otherwise  
3 satisfies the terms and conditions of this Act and is approved  
4 by the Department. An applicant with an existing agreement  
5 under the Economic Development for a Growing Economy Tax  
6 Credit Act may submit an application for an agreement under  
7 this Act after it terminates any existing agreement under the  
8 Economic Development for a Growing Economy Tax Credit Act with  
9 respect to the same address or location. If a project that is  
10 subject to an existing agreement under the Economic  
11 Development for a Growing Economy Tax Credit Act meets the  
12 requirements to be designated as a REV Illinois project under  
13 this Act, including for actions undertaken prior to the  
14 effective date of this Act, the taxpayer that is subject to  
15 that existing agreement under the Economic Development for a  
16 Growing Economy Tax Credit Act may apply to the Department to  
17 amend the agreement to allow the project to become a  
18 designated REV Illinois project. Following the amendment, time  
19 accrued during which the project was eligible for credits  
20 under the existing agreement under the Economic Development  
21 for a Growing Economy Tax Credit Act shall count toward the  
22 duration of the credit subject to limitations described in  
23 Section 40 of this Act.

24 (i) If, at any time following the designation of a project  
25 as a REV Illinois Project by the Department and prior to the  
26 termination or expiration of an agreement under this Act, the

1 project ceases to qualify as a REV Illinois project because  
2 the taxpayer is no longer an electric vehicle manufacturer, an  
3 electric vehicle component manufacturer, an electric vehicle  
4 power supply equipment manufacturer, a battery recycling and  
5 reuse manufacturer, ~~or~~ a battery raw materials refining  
6 service provider, or an entity engaged in eVTOL or hybrid  
7 electric or fully electric propulsion systems for airliners  
8 research, development, or manufacturing, that project may  
9 receive tax credit awards as described in Section 5-15 and  
10 Section 5-51 of the Economic Development for a Growing Economy  
11 Tax Credit Act, as long as the project continues to meet  
12 requirements to obtain those credits as described in the  
13 Economic Development for a Growing Economy Tax Credit Act and  
14 remains compliant with terms contained in the Agreement under  
15 this Act not related to their status as an electric vehicle  
16 manufacturer, an electric vehicle component manufacturer, an  
17 electric vehicle power supply equipment manufacturer, a  
18 battery recycling and reuse manufacturer, ~~or~~ a battery raw  
19 materials refining service provider, or an entity engaged in  
20 eVTOL or hybrid-electric or fully electric propulsion systems  
21 for airliners research, development, or manufacturing. Time  
22 accrued during which the project was eligible for credits  
23 under an agreement under this Act shall count toward the  
24 duration of the credit subject to limitations described in  
25 Section 5-45 of the Economic Development for a Growing Economy  
26 Tax Credit Act.



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

4 (20 ILCS 686/35)

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

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

17 (20 ILCS 686/45)

18 Sec. 45. Contents of agreements with applicants.

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

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

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

4           (3) The credit amount that will be allowed for each  
5           taxable year.

6           (4) For a project qualified under paragraphs (1), (2),  
7           (4), or (5) of subsection (c) of Section 20, a requirement  
8           that the taxpayer shall maintain operations at the project  
9           location a minimum number of years not to exceed 15. For a  
10          project qualified under paragraph (3) of subsection (c) of  
11          Section 20, a requirement that the taxpayer shall maintain  
12          operations at the project location a minimum number of  
13          years not to exceed 10.

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

17          (6) A requirement that the taxpayer shall annually  
18          report to the Department the number of new employees, the  
19          incremental income tax withheld in connection with the new  
20          employees, and any other information the Department deems  
21          necessary and appropriate to perform its duties under this  
22          Act.

23          (7) A requirement that the Director is authorized to  
24          verify with the appropriate State agencies the amounts  
25          reported under paragraph (6), and after doing so shall  
26          issue a certificate to the taxpayer stating that the

1 amounts have been verified.

2 (8) A requirement that the taxpayer shall provide  
3 written notification to the Director not more than 30 days  
4 after the taxpayer makes or receives a proposal that would  
5 transfer the taxpayer's State tax liability obligations to  
6 a successor taxpayer.

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

11 (10) The minimum investment the taxpayer will make in  
12 capital improvements, the time period for placing the  
13 property in service, and the designated location in  
14 Illinois for the investment.

15 (11) A requirement that the taxpayer shall provide  
16 written notification to the Director and the Director's  
17 designee not more than 30 days after the taxpayer  
18 determines that the minimum job creation or retention,  
19 employment payroll, or investment no longer is or will be  
20 achieved or maintained as set forth in the terms and  
21 conditions of the agreement. Additionally, the  
22 notification should outline to the Department the number  
23 of layoffs, date of the layoffs, and detail taxpayer's  
24 efforts to provide career and training counseling for the  
25 impacted workers with industry-related certifications and  
26 trainings.

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

5           (13) If applicable, a provision that specifies the  
6           statewide baseline at the time of application for retained  
7           employees. The agreement must have a provision addressing  
8           if the total number of retained employees falls below the  
9           lesser of the statewide baseline or the retention  
10          requirements specified in the agreement, the allowance of  
11          the credit shall be suspended until the number of retained  
12          employees equals or exceeds the agreement amount.

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

16          (15) If the agreement is entered into before the  
17          effective date of the changes made to this Section by this  
18          amendatory Act of the 103rd General Assembly, a provision  
19          stating that if the taxpayer fails to meet either the  
20          investment or job creation and retention requirements  
21          specified in the agreement during the entire 5-year period  
22          beginning on the first day of the first taxable year in  
23          which the agreement is executed and ending on the last day  
24          of the fifth taxable year after the agreement is executed,  
25          then the agreement is automatically terminated on the last  
26          day of the fifth taxable year after the agreement is

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

14           (16) A provision stating that if the taxpayer ceases  
15          principal operations with the intent to permanently shut  
16          down the project in the State during the term of the  
17          Agreement, then the entire credit amount awarded to the  
18          taxpayer prior to the date the taxpayer ceases principal  
19          operations shall be returned to the Department and shall  
20          be reallocated to the local workforce investment area in  
21          which the project was located.

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

25           (18) A provision requiring the taxpayer to report  
26          annually its contractual obligations or otherwise with a

1 recycling facility for its operations.

2 (19) Any other performance conditions or contract  
3 provisions the Department determines are necessary or  
4 appropriate.

5 (20) Each taxpayer under paragraph (1) of subsection  
6 (c) of Section 20 above shall maintain labor neutrality  
7 toward any union organizing campaign for any employees of  
8 the taxpayer assigned to work on the premises of the REV  
9 Illinois Project Site. This paragraph shall not apply to  
10 an electric vehicle manufacturer, electric vehicle  
11 component part manufacturer, electric vehicle power supply  
12 manufacturer, or renewable energy manufacturer, or any  
13 joint venture including an electric vehicle manufacturer,  
14 electric vehicle component part manufacturer, electric  
15 vehicle power supply manufacturer, ~~or~~ renewable energy  
16 manufacturer, or an entity engaged in eVTOL or  
17 hybrid-electric or fully electric propulsion systems for  
18 airliners research, development, or manufacturing, who is  
19 subject to collective bargaining agreement entered into  
20 prior to the taxpayer filing an application pursuant to  
21 this Act.

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

26 (1) the name of the taxpayer;

- 1 (2) the location of the project;
- 2 (3) the estimated value of the credit;
- 3 (4) the number of new employee jobs and, if  
4 applicable, number of retained employee jobs at the  
5 project; and
- 6 (5) whether or not the project is in an underserved  
7 area or energy transition area.

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

10 (20 ILCS 686/65)

11 Sec. 65. REV Construction Jobs Credits Certified payroll.

12 (a) Each REV program participant ~~contractor and~~  
13 ~~subcontractor~~ that is engaged in construction work ~~on project~~  
14 ~~facilities for a taxpayer~~ who seeks to apply for a REV  
15 Construction Jobs credit shall annually, until construction is  
16 completed, submit a report that, at a minimum, describes the  
17 projected project scope, timeline, and anticipated budget.  
18 Once the project has commenced, the annual report shall  
19 include actual data for the prior year as well as projections  
20 for each additional year through completion of the project.  
21 The Department shall issue detailed reporting guidelines  
22 prescribing the requirements of construction related reports.÷

23 In order to receive credit for construction expenses, the  
24 company must provide the Department with evidence that a  
25 certified third-party executed an Agreed-Upon Procedure (AUP)

1 verifying the construction expenses or accept the standard  
2 construction wage expense estimated by the Department.

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

7 ~~(1) make and keep, for a period of 5 years from the~~  
8 ~~date of the last payment made on a contract or subcontract~~  
9 ~~for construction of facilities for a REV Illinois Project~~  
10 ~~pursuant to an agreement, records of all laborers and~~  
11 ~~other workers employed by the contractor or subcontractor~~  
12 ~~on the project; the records shall include:~~

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

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

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

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

17 ~~(E) the worker's classification or~~  
18 ~~classifications;~~

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

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

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

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

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



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

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

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

22           ~~A general contractor is not prohibited from relying on a~~  
23           ~~certified payroll of a lower tier subcontractor, provided the~~  
24           ~~general contractor does not knowingly rely upon a~~  
25           ~~subcontractor's false certification.~~

26           (b) (Blank). ~~Any contractor or subcontractor subject to~~

1 ~~this Section, and any officer, employee, or agent of such~~  
2 ~~contractor or subcontractor whose duty as an officer,~~  
3 ~~employee, or agent it is to file a certified payroll under this~~  
4 ~~Section, who willfully fails to file such a certified payroll,~~  
5 ~~on or before the date such certified payroll is required to be~~  
6 ~~filed and any person who willfully files a false certified~~  
7 ~~payroll as to any material fact is in violation of this Act and~~  
8 ~~guilty of a Class A misdemeanor and may be enforced by the~~  
9 ~~Illinois Department of Labor or the Department. The Attorney~~  
10 ~~General shall represented the Illinois Department of Labor or~~  
11 ~~the Department in the proceeding.~~

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

16 (d) (Blank). ~~The records submitted in accordance with this~~  
17 ~~Section shall be considered public records, except an~~  
18 ~~employee's address, telephone number, and social security~~  
19 ~~number, which shall be redacted. The records shall be made~~  
20 ~~publicly available in accordance with the Freedom of~~  
21 ~~Information Act. The contractor or subcontractor shall submit~~  
22 ~~reports to the Department of Labor electronically that meet~~  
23 ~~the requirements of this subsection and shall share the~~  
24 ~~information with the Department to comply with the awarding of~~  
25 ~~the REV Construction Jobs Credit. A contractor, subcontractor,~~  
26 ~~or public body may retain records required under this Section~~

1 ~~in paper or electronic format.~~

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

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

14 (20 ILCS 686/95)

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

1 Section 9-222 of the Public Utilities Act. The taxpayer must  
2 meet any other ~~the~~ criteria for certification set by the  
3 Department.

4 The Department shall determine the period during which the  
5 exemption from the Electricity Excise Tax Law and the charges  
6 imposed under Section 9-222 of the Public Utilities Act are in  
7 effect, which shall not exceed 30 ~~40~~ years from the date of the  
8 taxpayer's initial receipt of certification from the  
9 Department under this Section.

10 The Department is authorized to adopt rules to carry out  
11 the provisions of this Section, including procedures to apply  
12 for the exemptions; to define the amounts and types of  
13 eligible investments that an applicant must make in order to  
14 receive electricity excise tax exemptions or exemptions from  
15 the additional charges imposed under Section 9-222 and the  
16 Public Utilities Act; to approve such electricity excise tax  
17 exemptions for applicants whose investments are not yet placed  
18 in service; and to require that an applicant granted an  
19 electricity excise tax exemption or an exemption from  
20 additional charges under Section 9-222 of the Public Utilities  
21 Act repay the exempted amount if the Applicant fails to comply  
22 with the terms and conditions of the agreement.

23 Upon certification by the Department under this Section,  
24 the Department shall notify the Department of Revenue of the  
25 certification. The Department of Revenue shall notify the  
26 public utilities of the exempt status of any taxpayer

1 certified for exemption under this Act from the electricity  
2 excise tax or pass-on charges. The exemption status shall take  
3 effect within 3 months after certification of the taxpayer and  
4 notice to the Department of Revenue by the Department.

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

6 (20 ILCS 686/105)

7 Sec. 105. Building materials exemptions for REV Illinois  
8 Project sites.

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

17 The Department shall determine the period during which the  
18 exemption from State and local use tax and retailers'  
19 occupation tax are in effect, but in no event shall exceed 5  
20 years in accordance with Section 5m of the Retailers'  
21 Occupation Tax Act.

22 The Department is authorized to promulgate rules and  
23 regulations to carry out the provisions of this Section,  
24 including procedures to apply for the exemption; to define the  
25 amounts and types of eligible investments that an applicant

1 must make in order to receive tax exemption; to approve such  
2 tax exemption for an applicant whose investments are not yet  
3 placed in service; and to require that an applicant granted  
4 exemption repay the exempted amount if the applicant fails to  
5 comply with the terms and conditions of the agreement with the  
6 Department.

7       Upon certification by the Department under this Section,  
8 the Department shall notify the Department of Revenue of the  
9 certification. The exemption status shall take effect within 3  
10 months after certification of the taxpayer and notice to the  
11 Department of Revenue by the Department.

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

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

15       (35 ILCS 5/201)

16       Sec. 201. Tax imposed.

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

24       (b) Rates. The tax imposed by subsection (a) of this

1 Section shall be determined as follows, except as adjusted by  
2 subsection (d-1):

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

7 (2) In the case of an individual, trust or estate, for  
8 taxable years beginning prior to July 1, 1989 and ending  
9 after June 30, 1989, an amount equal to the sum of (i) 2  
10 1/2% of the taxpayer's net income for the period prior to  
11 July 1, 1989, as calculated under Section 202.3, and (ii)  
12 3% of the taxpayer's net income for the period after June  
13 30, 1989, as calculated under Section 202.3.

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

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

25 (5) In the case of an individual, trust, or estate,  
26 for taxable years beginning on or after January 1, 2011,

1 and ending prior to January 1, 2015, an amount equal to 5%  
2 of the taxpayer's net income for the taxable year.

3 (5.1) In the case of an individual, trust, or estate,  
4 for taxable years beginning prior to January 1, 2015, and  
5 ending after December 31, 2014, an amount equal to the sum  
6 of (i) 5% of the taxpayer's net income for the period prior  
7 to January 1, 2015, as calculated under Section 202.5, and  
8 (ii) 3.75% of the taxpayer's net income for the period  
9 after December 31, 2014, as calculated under Section  
10 202.5.

11 (5.2) In the case of an individual, trust, or estate,  
12 for taxable years beginning on or after January 1, 2015,  
13 and ending prior to July 1, 2017, an amount equal to 3.75%  
14 of the taxpayer's net income for the taxable year.

15 (5.3) In the case of an individual, trust, or estate,  
16 for taxable years beginning prior to July 1, 2017, and  
17 ending after June 30, 2017, an amount equal to the sum of  
18 (i) 3.75% of the taxpayer's net income for the period  
19 prior to July 1, 2017, as calculated under Section 202.5,  
20 and (ii) 4.95% of the taxpayer's net income for the period  
21 after June 30, 2017, as calculated under Section 202.5.

22 (5.4) In the case of an individual, trust, or estate,  
23 for taxable years beginning on or after July 1, 2017, an  
24 amount equal to 4.95% of the taxpayer's net income for the  
25 taxable year.

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



1 ending prior to July 1, 1989, an amount equal to 4% of the  
2 taxpayer's net income for the taxable year.

3 (7) In the case of a corporation, for taxable years  
4 beginning prior to July 1, 1989 and ending after June 30,  
5 1989, an amount equal to the sum of (i) 4% of the  
6 taxpayer's net income for the period prior to July 1,  
7 1989, as calculated under Section 202.3, and (ii) 4.8% of  
8 the taxpayer's net income for the period after June 30,  
9 1989, as calculated under Section 202.3.

10 (8) In the case of a corporation, for taxable years  
11 beginning after June 30, 1989, and ending prior to January  
12 1, 2011, an amount equal to 4.8% of the taxpayer's net  
13 income for the taxable year.

14 (9) In the case of a corporation, for taxable years  
15 beginning prior to January 1, 2011, and ending after  
16 December 31, 2010, an amount equal to the sum of (i) 4.8%  
17 of the taxpayer's net income for the period prior to  
18 January 1, 2011, as calculated under Section 202.5, and  
19 (ii) 7% of the taxpayer's net income for the period after  
20 December 31, 2010, as calculated under Section 202.5.

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

25 (11) In the case of a corporation, for taxable years  
26 beginning prior to January 1, 2015, and ending after

1 December 31, 2014, an amount equal to the sum of (i) 7% of  
2 the taxpayer's net income for the period prior to January  
3 1, 2015, as calculated under Section 202.5, and (ii) 5.25%  
4 of the taxpayer's net income for the period after December  
5 31, 2014, as calculated under Section 202.5.

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

10 (13) In the case of a corporation, for taxable years  
11 beginning prior to July 1, 2017, and ending after June 30,  
12 2017, an amount equal to the sum of (i) 5.25% of the  
13 taxpayer's net income for the period prior to July 1,  
14 2017, as calculated under Section 202.5, and (ii) 7% of  
15 the taxpayer's net income for the period after June 30,  
16 2017, as calculated under Section 202.5.

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

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

22 (b-5) Surcharge; sale or exchange of assets, properties,  
23 and intangibles of organization gaming licensees. For each of  
24 taxable years 2019 through 2027, a surcharge is imposed on all  
25 taxpayers on income arising from the sale or exchange of  
26 capital assets, depreciable business property, real property

1 used in the trade or business, and Section 197 intangibles (i)  
2 of an organization licensee under the Illinois Horse Racing  
3 Act of 1975 and (ii) of an organization gaming licensee under  
4 the Illinois Gambling Act. The amount of the surcharge is  
5 equal to the amount of federal income tax liability for the  
6 taxable year attributable to those sales and exchanges. The  
7 surcharge imposed shall not apply if:

8 (1) the organization gaming license, organization  
9 license, or racetrack property is transferred as a result  
10 of any of the following:

11 (A) bankruptcy, a receivership, or a debt  
12 adjustment initiated by or against the initial  
13 licensee or the substantial owners of the initial  
14 licensee;

15 (B) cancellation, revocation, or termination of  
16 any such license by the Illinois Gaming Board or the  
17 Illinois Racing Board;

18 (C) a determination by the Illinois Gaming Board  
19 that transfer of the license is in the best interests  
20 of Illinois gaming;

21 (D) the death of an owner of the equity interest in  
22 a licensee;

23 (E) the acquisition of a controlling interest in  
24 the stock or substantially all of the assets of a  
25 publicly traded company;

26 (F) a transfer by a parent company to a wholly

1 owned subsidiary; or

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

5 (2) the controlling interest in the organization  
6 gaming license, organization license, or racetrack  
7 property is transferred in a transaction to lineal  
8 descendants in which no gain or loss is recognized or as a  
9 result of a transaction in accordance with Section 351 of  
10 the Internal Revenue Code in which no gain or loss is  
11 recognized; or

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

16 The transfer of an organization gaming license,  
17 organization license, or racetrack property by a person other  
18 than the initial licensee to receive the organization gaming  
19 license is not subject to a surcharge. The Department shall  
20 adopt rules necessary to implement and administer this  
21 subsection.

22 (c) Personal Property Tax Replacement Income Tax.  
23 Beginning on July 1, 1979 and thereafter, in addition to such  
24 income tax, there is also hereby imposed the Personal Property  
25 Tax Replacement Income Tax measured by net income on every  
26 corporation (including Subchapter S corporations), partnership

1 and trust, for each taxable year ending after June 30, 1979.  
2 Such taxes are imposed on the privilege of earning or  
3 receiving income in or as a resident of this State. The  
4 Personal Property Tax Replacement Income Tax shall be in  
5 addition to the income tax imposed by subsections (a) and (b)  
6 of this Section and in addition to all other occupation or  
7 privilege taxes imposed by this State or by any municipal  
8 corporation or political subdivision thereof.

9 (d) Additional Personal Property Tax Replacement Income  
10 Tax Rates. The personal property tax replacement income tax  
11 imposed by this subsection and subsection (c) of this Section  
12 in the case of a corporation, other than a Subchapter S  
13 corporation and except as adjusted by subsection (d-1), shall  
14 be an additional amount equal to 2.85% of such taxpayer's net  
15 income for the taxable year, except that beginning on January  
16 1, 1981, and thereafter, the rate of 2.85% specified in this  
17 subsection shall be reduced to 2.5%, and in the case of a  
18 partnership, trust or a Subchapter S corporation shall be an  
19 additional amount equal to 1.5% of such taxpayer's net income  
20 for the taxable year.

21 (d-1) Rate reduction for certain foreign insurers. In the  
22 case of a foreign insurer, as defined by Section 35A-5 of the  
23 Illinois Insurance Code, whose state or country of domicile  
24 imposes on insurers domiciled in Illinois a retaliatory tax  
25 (excluding any insurer whose premiums from reinsurance assumed  
26 are 50% or more of its total insurance premiums as determined

1 under paragraph (2) of subsection (b) of Section 304, except  
2 that for purposes of this determination premiums from  
3 reinsurance do not include premiums from inter-affiliate  
4 reinsurance arrangements), beginning with taxable years ending  
5 on or after December 31, 1999, the sum of the rates of tax  
6 imposed by subsections (b) and (d) shall be reduced (but not  
7 increased) to the rate at which the total amount of tax imposed  
8 under this Act, net of all credits allowed under this Act,  
9 shall equal (i) the total amount of tax that would be imposed  
10 on the foreign insurer's net income allocable to Illinois for  
11 the taxable year by such foreign insurer's state or country of  
12 domicile if that net income were subject to all income taxes  
13 and taxes measured by net income imposed by such foreign  
14 insurer's state or country of domicile, net of all credits  
15 allowed or (ii) a rate of zero if no such tax is imposed on  
16 such income by the foreign insurer's state of domicile. For  
17 the purposes of this subsection (d-1), an inter-affiliate  
18 includes a mutual insurer under common management.

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

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

25 (B) the privilege tax imposed by Section 409 of  
26 the Illinois Insurance Code, the fire insurance

1           company tax imposed by Section 12 of the Fire  
2           Investigation Act, and the fire department taxes  
3           imposed under Section 11-10-1 of the Illinois  
4           Municipal Code,

5           equals 1.25% for taxable years ending prior to December  
6           31, 2003, or 1.75% for taxable years ending on or after  
7           December 31, 2003, of the net taxable premiums written for  
8           the taxable year, as described by subsection (1) of  
9           Section 409 of the Illinois Insurance Code. This paragraph  
10          will in no event increase the rates imposed under  
11          subsections (b) and (d).

12          (2) Any reduction in the rates of tax imposed by this  
13          subsection shall be applied first against the rates  
14          imposed by subsection (b) and only after the tax imposed  
15          by subsection (a) net of all credits allowed under this  
16          Section other than the credit allowed under subsection (i)  
17          has been reduced to zero, against the rates imposed by  
18          subsection (d).

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

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

24          (1) A taxpayer shall be allowed a credit equal to .5%  
25          of the basis of qualified property placed in service  
26          during the taxable year, provided such property is placed

1 in service on or after July 1, 1984. There shall be allowed  
2 an additional credit equal to .5% of the basis of  
3 qualified property placed in service during the taxable  
4 year, provided such property is placed in service on or  
5 after July 1, 1986, and the taxpayer's base employment  
6 within Illinois has increased by 1% or more over the  
7 preceding year as determined by the taxpayer's employment  
8 records filed with the Illinois Department of Employment  
9 Security. Taxpayers who are new to Illinois shall be  
10 deemed to have met the 1% growth in base employment for the  
11 first year in which they file employment records with the  
12 Illinois Department of Employment Security. The provisions  
13 added to this Section by Public Act 85-1200 (and restored  
14 by Public Act 87-895) shall be construed as declaratory of  
15 existing law and not as a new enactment. If, in any year,  
16 the increase in base employment within Illinois over the  
17 preceding year is less than 1%, the additional credit  
18 shall be limited to that percentage times a fraction, the  
19 numerator of which is .5% and the denominator of which is  
20 1%, but shall not exceed .5%. The investment credit shall  
21 not be allowed to the extent that it would reduce a  
22 taxpayer's liability in any tax year below zero, nor may  
23 any credit for qualified property be allowed for any year  
24 other than the year in which the property was placed in  
25 service in Illinois. For tax years ending on or after  
26 December 31, 1987, and on or before December 31, 1988, the



1 credit shall be allowed for the tax year in which the  
2 property is placed in service, or, if the amount of the  
3 credit exceeds the tax liability for that year, whether it  
4 exceeds the original liability or the liability as later  
5 amended, such excess may be carried forward and applied to  
6 the tax liability of the 5 taxable years following the  
7 excess credit years if the taxpayer (i) makes investments  
8 which cause the creation of a minimum of 2,000 full-time  
9 equivalent jobs in Illinois, (ii) is located in an  
10 enterprise zone established pursuant to the Illinois  
11 Enterprise Zone Act and (iii) is certified by the  
12 Department of Commerce and Community Affairs (now  
13 Department of Commerce and Economic Opportunity) as  
14 complying with the requirements specified in clause (i)  
15 and (ii) by July 1, 1986. The Department of Commerce and  
16 Community Affairs (now Department of Commerce and Economic  
17 Opportunity) shall notify the Department of Revenue of all  
18 such certifications immediately. For tax years ending  
19 after December 31, 1988, the credit shall be allowed for  
20 the tax year in which the property is placed in service,  
21 or, if the amount of the credit exceeds the tax liability  
22 for that year, whether it exceeds the original liability  
23 or the liability as later amended, such excess may be  
24 carried forward and applied to the tax liability of the 5  
25 taxable years following the excess credit years. The  
26 credit shall be applied to the earliest year for which

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

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

6                   (A) is tangible, whether new or used, including  
7                   buildings and structural components of buildings and  
8                   signs that are real property, but not including land  
9                   or improvements to real property that are not a  
10                  structural component of a building such as  
11                  landscaping, sewer lines, local access roads, fencing,  
12                  parking lots, and other appurtenances;

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

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

20                  (D) is used in Illinois by a taxpayer who is  
21                  primarily engaged in manufacturing, or in mining coal  
22                  or fluorite, or in retailing, or was placed in service  
23                  on or after July 1, 2006 in a River Edge Redevelopment  
24                  Zone established pursuant to the River Edge  
25                  Redevelopment Zone Act; and

26                  (E) has not previously been used in Illinois in

1           such a manner and by such a person as would qualify for  
2           the credit provided by this subsection (e) or  
3           subsection (f).

4           (3) For purposes of this subsection (e),  
5           "manufacturing" means the material staging and production  
6           of tangible personal property by procedures commonly  
7           regarded as manufacturing, processing, fabrication, or  
8           assembling which changes some existing material into new  
9           shapes, new qualities, or new combinations. For purposes  
10          of this subsection (e) the term "mining" shall have the  
11          same meaning as the term "mining" in Section 613(c) of the  
12          Internal Revenue Code. For purposes of this subsection  
13          (e), the term "retailing" means the sale of tangible  
14          personal property for use or consumption and not for  
15          resale, or services rendered in conjunction with the sale  
16          of tangible personal property for use or consumption and  
17          not for resale. For purposes of this subsection (e),  
18          "tangible personal property" has the same meaning as when  
19          that term is used in the Retailers' Occupation Tax Act,  
20          and, for taxable years ending after December 31, 2008,  
21          does not include the generation, transmission, or  
22          distribution of electricity.

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

26          (5) If the basis of the property for federal income

1 tax depreciation purposes is increased after it has been  
2 placed in service in Illinois by the taxpayer, the amount  
3 of such increase shall be deemed property placed in  
4 service on the date of such increase in basis.

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

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

24 (8) Unless the investment credit is extended by law,  
25 the basis of qualified property shall not include costs  
26 incurred after December 31, 2018, except for costs

1 incurred pursuant to a binding contract entered into on or  
2 before December 31, 2018.

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

19 For taxable years ending on or after December 31,  
20 2000, a partner that qualifies its partnership for a  
21 subtraction under subparagraph (I) of paragraph (2) of  
22 subsection (d) of Section 203 or a shareholder that  
23 qualifies a Subchapter S corporation for a subtraction  
24 under subparagraph (S) of paragraph (2) of subsection (b)  
25 of Section 203 shall be allowed a credit under this  
26 subsection (e) equal to its share of the credit earned

1 under this subsection (e) during the taxable year by the  
2 partnership or Subchapter S corporation, determined in  
3 accordance with the determination of income and  
4 distributive share of income under Sections 702 and 704  
5 and Subchapter S of the Internal Revenue Code. This  
6 paragraph is exempt from the provisions of Section 250.

7 (f) Investment credit; Enterprise Zone; River Edge  
8 Redevelopment Zone.

9 (1) A taxpayer shall be allowed a credit against the  
10 tax imposed by subsections (a) and (b) of this Section for  
11 investment in qualified property which is placed in  
12 service in an Enterprise Zone created pursuant to the  
13 Illinois Enterprise Zone Act or, for property placed in  
14 service on or after July 1, 2006, a River Edge  
15 Redevelopment Zone established pursuant to the River Edge  
16 Redevelopment Zone Act. For partners, shareholders of  
17 Subchapter S corporations, and owners of limited liability  
18 companies, if the liability company is treated as a  
19 partnership for purposes of federal and State income  
20 taxation, for taxable years ending before December 31,  
21 2023, there shall be allowed a credit under this  
22 subsection (f) to be determined in accordance with the  
23 determination of income and distributive share of income  
24 under Sections 702 and 704 and Subchapter S of the  
25 Internal Revenue Code. For taxable years ending on or  
26 after December 31, 2023, for partners and shareholders of

1 Subchapter S corporations, the provisions of Section 251  
2 shall apply with respect to the credit under this  
3 subsection. The credit shall be .5% of the basis for such  
4 property. The credit shall be available only in the  
5 taxable year in which the property is placed in service in  
6 the Enterprise Zone or River Edge Redevelopment Zone and  
7 shall not be allowed to the extent that it would reduce a  
8 taxpayer's liability for the tax imposed by subsections  
9 (a) and (b) of this Section to below zero. For tax years  
10 ending on or after December 31, 1985, the credit shall be  
11 allowed for the tax year in which the property is placed in  
12 service, or, if the amount of the credit exceeds the tax  
13 liability for that year, whether it exceeds the original  
14 liability or the liability as later amended, such excess  
15 may be carried forward and applied to the tax liability of  
16 the 5 taxable years following the excess credit year. The  
17 credit shall be applied to the earliest year for which  
18 there is a liability. If there is credit from more than one  
19 tax year that is available to offset a liability, the  
20 credit accruing first in time shall be applied first.

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

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

24 (B) is depreciable pursuant to Section 167 of the  
25 Internal Revenue Code, except that "3-year property"  
26 as defined in Section 168(c)(2)(A) of that Code is not

1 eligible for the credit provided by this subsection  
2 (f);

3 (C) is acquired by purchase as defined in Section  
4 179(d) of the Internal Revenue Code;

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

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

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

14 (4) If the basis of the property for federal income  
15 tax depreciation purposes is increased after it has been  
16 placed in service in the Enterprise Zone or River Edge  
17 Redevelopment Zone by the taxpayer, the amount of such  
18 increase shall be deemed property placed in service on the  
19 date of such increase in basis.

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

22 (6) If during any taxable year, any property ceases to  
23 be qualified property in the hands of the taxpayer within  
24 48 months after being placed in service, or the situs of  
25 any qualified property is moved outside the Enterprise  
26 Zone or River Edge Redevelopment Zone within 48 months



1 after being placed in service, the tax imposed under  
2 subsections (a) and (b) of this Section for such taxable  
3 year shall be increased. Such increase shall be determined  
4 by (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 (6), 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 (7) There shall be allowed an additional credit equal  
15 to 0.5% of the basis of qualified property placed in  
16 service during the taxable year in a River Edge  
17 Redevelopment Zone, provided such property is placed in  
18 service on or after July 1, 2006, and the taxpayer's base  
19 employment within Illinois has increased by 1% or more  
20 over the preceding year as determined by the taxpayer's  
21 employment records filed with the Illinois Department of  
22 Employment Security. Taxpayers who are new to Illinois  
23 shall be deemed to have met the 1% growth in base  
24 employment for the first year in which they file  
25 employment records with the Illinois Department of  
26 Employment Security. If, in any year, the increase in base

1 employment within Illinois over the preceding year is less  
2 than 1%, the additional credit shall be limited to that  
3 percentage times a fraction, the numerator of which is  
4 0.5% and the denominator of which is 1%, but shall not  
5 exceed 0.5%.

6 (8) For taxable years beginning on or after January 1,  
7 2021, there shall be allowed an Enterprise Zone  
8 construction jobs credit against the taxes imposed under  
9 subsections (a) and (b) of this Section as provided in  
10 Section 13 of the Illinois Enterprise Zone Act.

11 The credit or credits may not reduce the taxpayer's  
12 liability to less than zero. If the amount of the credit or  
13 credits exceeds the taxpayer's liability, the excess may  
14 be carried forward and applied against the taxpayer's  
15 liability in succeeding calendar years in the same manner  
16 provided under paragraph (4) of Section 211 of this Act.  
17 The credit or credits shall be applied to the earliest  
18 year for which there is a tax liability. If there are  
19 credits from more than one taxable year that are available  
20 to offset a liability, the earlier credit shall be applied  
21 first.

22 For partners, shareholders of Subchapter S  
23 corporations, and owners of limited liability companies,  
24 if the liability company is treated as a partnership for  
25 the purposes of federal and State income taxation, for  
26 taxable years ending before December 31, 2023, there shall

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

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

12 This paragraph (8) is exempt from the provisions of  
13 Section 250.

14 (g) (Blank).

15 (h) Investment credit; High Impact Business.

16 (1) Subject to subsections (b) and (b-5) of Section  
17 5.5 of the Illinois Enterprise Zone Act, a taxpayer shall  
18 be allowed a credit against the tax imposed by subsections  
19 (a) and (b) of this Section for investment in qualified  
20 property which is placed in service by a Department of  
21 Commerce and Economic Opportunity designated High Impact  
22 Business. The credit shall be .5% of the basis for such  
23 property. The credit shall not be available (i) until the  
24 minimum investments in qualified property set forth in  
25 subdivision (a)(3)(A) of Section 5.5 of the Illinois  
26 Enterprise Zone Act have been satisfied or (ii) until the

1 time authorized in subsection (b-5) of the Illinois  
2 Enterprise Zone Act for entities designated as High Impact  
3 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and  
4 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone  
5 Act, and shall not be allowed to the extent that it would  
6 reduce a taxpayer's liability for the tax imposed by  
7 subsections (a) and (b) of this Section to below zero. The  
8 credit applicable to such investments shall be taken in  
9 the taxable year in which such investments have been  
10 completed. The credit for additional investments beyond  
11 the minimum investment by a designated high impact  
12 business authorized under subdivision (a)(3)(A) of Section  
13 5.5 of the Illinois Enterprise Zone Act shall be available  
14 only in the taxable year in which the property is placed in  
15 service and shall not be allowed to the extent that it  
16 would reduce a taxpayer's liability for the tax imposed by  
17 subsections (a) and (b) of this Section to below zero. For  
18 tax years ending on or after December 31, 1987, the credit  
19 shall be allowed for the tax year in which the property is  
20 placed in service, or, if the amount of the credit exceeds  
21 the tax liability for that year, whether it exceeds the  
22 original liability or the liability as later amended, such  
23 excess may be carried forward and applied to the tax  
24 liability of the 5 taxable years following the excess  
25 credit year. The credit shall be applied to the earliest  
26 year for which there is a liability. If there is credit

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

4 Changes made in this subdivision (h) (1) by Public Act  
5 88-670 restore changes made by Public Act 85-1182 and  
6 reflect existing law.

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

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

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

15 (C) is acquired by purchase as defined in Section  
16 179(d) of the Internal Revenue Code; and

17 (D) is not eligible for the Enterprise Zone  
18 Investment Credit provided by subsection (f) of this  
19 Section.

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

23 (4) If the basis of the property for federal income  
24 tax depreciation purposes is increased after it has been  
25 placed in service in a federally designated Foreign Trade  
26 Zone or Sub-Zone located in Illinois by the taxpayer, the

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

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

5 (6) If during any taxable year ending on or before  
6 December 31, 1996, any property ceases to be qualified  
7 property in the hands of the taxpayer within 48 months  
8 after being placed in service, or the situs of any  
9 qualified property is moved outside Illinois within 48  
10 months after being placed in service, the tax imposed  
11 under subsections (a) and (b) of this Section for such  
12 taxable year shall be increased. Such increase shall be  
13 determined by (i) recomputing the investment credit which  
14 would have been allowed for the year in which credit for  
15 such property was originally allowed by eliminating such  
16 property from such computation, and (ii) subtracting such  
17 recomputed credit from the amount of credit previously  
18 allowed. For the purposes of this paragraph (6), a  
19 reduction of the basis of qualified property resulting  
20 from a redetermination of the purchase price shall be  
21 deemed a disposition of qualified property to the extent  
22 of such reduction.

23 (7) Beginning with tax years ending after December 31,  
24 1996, if a taxpayer qualifies for the credit under this  
25 subsection (h) and thereby is granted a tax abatement and  
26 the taxpayer relocates its entire facility in violation of

1 the explicit terms and length of the contract under  
2 Section 18-183 of the Property Tax Code, the tax imposed  
3 under subsections (a) and (b) of this Section shall be  
4 increased for the taxable year in which the taxpayer  
5 relocated its facility by an amount equal to the amount of  
6 credit received by the taxpayer under this subsection (h).

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

13 The credit or credits may not reduce the taxpayer's  
14 liability to less than zero. If the amount of the credit or  
15 credits exceeds the taxpayer's liability, the excess may be  
16 carried forward and applied against the taxpayer's liability  
17 in succeeding calendar years in the manner provided under  
18 paragraph (4) of Section 211 of this Act. The credit or credits  
19 shall be applied to the earliest year for which there is a tax  
20 liability. If there are credits from more than one taxable  
21 year that are available to offset a liability, the earlier  
22 credit shall be applied first.

23 For partners, shareholders of Subchapter S corporations,  
24 and owners of limited liability companies, for taxable years  
25 ending before December 31, 2023, if the liability company is  
26 treated as a partnership for the purposes of federal and State

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

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

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

14 (i) Credit for Personal Property Tax Replacement Income  
15 Tax. For tax years ending prior to December 31, 2003, a credit  
16 shall be allowed against the tax imposed by subsections (a)  
17 and (b) of this Section for the tax imposed by subsections (c)  
18 and (d) of this Section. This credit shall be computed by  
19 multiplying the tax imposed by subsections (c) and (d) of this  
20 Section by a fraction, the numerator of which is base income  
21 allocable to Illinois and the denominator of which is Illinois  
22 base income, and further multiplying the product by the tax  
23 rate imposed by subsections (a) and (b) of this Section.

24 Any credit earned on or after December 31, 1986 under this  
25 subsection which is unused in the year the credit is computed  
26 because it exceeds the tax liability imposed by subsections



1 (a) and (b) for that year (whether it exceeds the original  
2 liability or the liability as later amended) may be carried  
3 forward and applied to the tax liability imposed by  
4 subsections (a) and (b) of the 5 taxable years following the  
5 excess credit year, provided that no credit may be carried  
6 forward to any year ending on or after December 31, 2003. This  
7 credit shall be applied first to the earliest year for which  
8 there is a liability. If there is a credit under this  
9 subsection from more than one tax year that is available to  
10 offset a liability the earliest credit arising under this  
11 subsection shall be applied first.

12 If, during any taxable year ending on or after December  
13 31, 1986, the tax imposed by subsections (c) and (d) of this  
14 Section for which a taxpayer has claimed a credit under this  
15 subsection (i) is reduced, the amount of credit for such tax  
16 shall also be reduced. Such reduction shall be determined by  
17 recomputing the credit to take into account the reduced tax  
18 imposed by subsections (c) and (d). If any portion of the  
19 reduced amount of credit has been carried to a different  
20 taxable year, an amended return shall be filed for such  
21 taxable year to reduce the amount of credit claimed.

22 (j) Training expense credit. Beginning with tax years  
23 ending on or after December 31, 1986 and prior to December 31,  
24 2003, a taxpayer shall be allowed a credit against the tax  
25 imposed by subsections (a) and (b) under this Section for all  
26 amounts paid or accrued, on behalf of all persons employed by

1 the taxpayer in Illinois or Illinois residents employed  
2 outside of Illinois by a taxpayer, for educational or  
3 vocational training in semi-technical or technical fields or  
4 semi-skilled or skilled fields, which were deducted from gross  
5 income in the computation of taxable income. The credit  
6 against the tax imposed by subsections (a) and (b) shall be  
7 1.6% of such training expenses. For partners, shareholders of  
8 subchapter S corporations, and owners of limited liability  
9 companies, if the liability company is treated as a  
10 partnership for purposes of federal and State income taxation,  
11 for taxable years ending before December 31, 2023, there shall  
12 be allowed a credit under this subsection (j) to be determined  
13 in accordance with the determination of income and  
14 distributive share of income under Sections 702 and 704 and  
15 subchapter S of the Internal Revenue Code. For taxable years  
16 ending on or after December 31, 2023, for partners and  
17 shareholders of Subchapter S corporations, the provisions of  
18 Section 251 shall apply with respect to the credit under this  
19 subsection.

20 Any credit allowed under this subsection which is unused  
21 in the year the credit is earned may be carried forward to each  
22 of the 5 taxable years following the year for which the credit  
23 is first computed until it is used. This credit shall be  
24 applied first to the earliest year for which there is a  
25 liability. If there is a credit under this subsection from  
26 more than one tax year that is available to offset a liability,

1 the earliest credit arising under this subsection shall be  
2 applied first. No carryforward credit may be claimed in any  
3 tax year ending on or after December 31, 2003.

4 (k) Research and development credit. For tax years ending  
5 after July 1, 1990 and prior to December 31, 2003, and  
6 beginning again for tax years ending on or after December 31,  
7 2004, and ending prior to January 1, 2032 ~~January 1, 2027~~, a  
8 taxpayer shall be allowed a credit against the tax imposed by  
9 subsections (a) and (b) of this Section for increasing  
10 research activities in this State. The credit allowed against  
11 the tax imposed by subsections (a) and (b) shall be equal to 6  
12 1/2% of the qualifying expenditures for increasing research  
13 activities in this State. For partners, shareholders of  
14 subchapter S corporations, and owners of limited liability  
15 companies, if the liability company is treated as a  
16 partnership for purposes of federal and State income taxation,  
17 for taxable years ending before December 31, 2023, there shall  
18 be allowed a credit under this subsection to be determined in  
19 accordance with the determination of income and distributive  
20 share of income under Sections 702 and 704 and subchapter S of  
21 the Internal Revenue Code. For taxable years ending on or  
22 after December 31, 2023, for partners and shareholders of  
23 Subchapter S corporations, the provisions of Section 251 shall  
24 apply with respect to the credit under this subsection.

25 For purposes of this subsection, "qualifying expenditures"  
26 means the qualifying expenditures as defined for the federal

1 credit for increasing research activities which would be  
2 allowable under Section 41 of the Internal Revenue Code and  
3 which are conducted in this State, "qualifying expenditures  
4 for increasing research activities in this State" means the  
5 excess of qualifying expenditures for the taxable year in  
6 which incurred over qualifying expenditures for the base  
7 period, "qualifying expenditures for the base period" means  
8 the average of the qualifying expenditures for each year in  
9 the base period, and "base period" means the 3 taxable years  
10 immediately preceding the taxable year for which the  
11 determination is being made.

12 Any credit in excess of the tax liability for the taxable  
13 year may be carried forward. A taxpayer may elect to have the  
14 unused credit shown on its final completed return carried over  
15 as a credit against the tax liability for the following 5  
16 taxable years or until it has been fully used, whichever  
17 occurs first; provided that no credit earned in a tax year  
18 ending prior to December 31, 2003 may be carried forward to any  
19 year ending on or after December 31, 2003.

20 If an unused credit is carried forward to a given year from  
21 2 or more earlier years, that credit arising in the earliest  
22 year will be applied first against the tax liability for the  
23 given year. If a tax liability for the given year still  
24 remains, the credit from the next earliest year will then be  
25 applied, and so on, until all credits have been used or no tax  
26 liability for the given year remains. Any remaining unused

1 credit or credits then will be carried forward to the next  
2 following year in which a tax liability is incurred, except  
3 that no credit can be carried forward to a year which is more  
4 than 5 years after the year in which the expense for which the  
5 credit is given was incurred.

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

9 It is the intent of the General Assembly that the research  
10 and development credit under this subsection (k) shall apply  
11 continuously for all tax years ending on or after December 31,  
12 2004 and ending prior to January 1, 2032 ~~January 1, 2027~~,  
13 including, but not limited to, the period beginning on January  
14 1, 2016 and ending on July 6, 2017 (the effective date of  
15 Public Act 100-22). All actions taken in reliance on the  
16 continuation of the credit under this subsection (k) by any  
17 taxpayer are hereby validated.

18 (l) Environmental Remediation Tax Credit.

19 (i) For tax years ending after December 31, 1997 and  
20 on or before December 31, 2001, a taxpayer shall be  
21 allowed a credit against the tax imposed by subsections  
22 (a) and (b) of this Section for certain amounts paid for  
23 unreimbursed eligible remediation costs, as specified in  
24 this subsection. For purposes of this Section,  
25 "unreimbursed eligible remediation costs" means costs  
26 approved by the Illinois Environmental Protection Agency

1 ("Agency") under Section 58.14 of the Environmental  
2 Protection Act that were paid in performing environmental  
3 remediation at a site for which a No Further Remediation  
4 Letter was issued by the Agency and recorded under Section  
5 58.10 of the Environmental Protection Act. The credit must  
6 be claimed for the taxable year in which Agency approval  
7 of the eligible remediation costs is granted. The credit  
8 is not available to any taxpayer if the taxpayer or any  
9 related party caused or contributed to, in any material  
10 respect, a release of regulated substances on, in, or  
11 under the site that was identified and addressed by the  
12 remedial action pursuant to the Site Remediation Program  
13 of the Environmental Protection Act. After the Pollution  
14 Control Board rules are adopted pursuant to the Illinois  
15 Administrative Procedure Act for the administration and  
16 enforcement of Section 58.9 of the Environmental  
17 Protection Act, determinations as to credit availability  
18 for purposes of this Section shall be made consistent with  
19 those rules. For purposes of this Section, "taxpayer"  
20 includes a person whose tax attributes the taxpayer has  
21 succeeded to under Section 381 of the Internal Revenue  
22 Code and "related party" includes the persons disallowed a  
23 deduction for losses by paragraphs (b), (c), and (f)(1) of  
24 Section 267 of the Internal Revenue Code by virtue of  
25 being a related taxpayer, as well as any of its partners.  
26 The credit allowed against the tax imposed by subsections

1 (a) and (b) shall be equal to 25% of the unreimbursed  
2 eligible remediation costs in excess of \$100,000 per site,  
3 except that the \$100,000 threshold shall not apply to any  
4 site contained in an enterprise zone as determined by the  
5 Department of Commerce and Community Affairs (now  
6 Department of Commerce and Economic Opportunity). The  
7 total credit allowed shall not exceed \$40,000 per year  
8 with a maximum total of \$150,000 per site. For partners  
9 and shareholders of subchapter S corporations, there shall  
10 be allowed a credit under this subsection to be determined  
11 in accordance with the determination of income and  
12 distributive share of income under Sections 702 and 704  
13 and subchapter S of the Internal Revenue Code.

14 (ii) A credit allowed under this subsection that is  
15 unused in the year the credit is earned may be carried  
16 forward to each of the 5 taxable years following the year  
17 for which the credit is first earned until it is used. The  
18 term "unused credit" does not include any amounts of  
19 unreimbursed eligible remediation costs in excess of the  
20 maximum credit per site authorized under paragraph (i).  
21 This credit shall be applied first to the earliest year  
22 for which there is a liability. If there is a credit under  
23 this subsection from more than one tax year that is  
24 available to offset a liability, the earliest credit  
25 arising under this subsection shall be applied first. A  
26 credit allowed under this subsection may be sold to a

1 buyer as part of a sale of all or part of the remediation  
2 site for which the credit was granted. The purchaser of a  
3 remediation site and the tax credit shall succeed to the  
4 unused credit and remaining carry-forward period of the  
5 seller. To perfect the transfer, the assignor shall record  
6 the transfer in the chain of title for the site and provide  
7 written notice to the Director of the Illinois Department  
8 of Revenue of the assignor's intent to sell the  
9 remediation site and the amount of the tax credit to be  
10 transferred as a portion of the sale. In no event may a  
11 credit be transferred to any taxpayer if the taxpayer or a  
12 related party would not be eligible under the provisions  
13 of subsection (i).

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

17 (m) Education expense credit. Beginning with tax years  
18 ending after December 31, 1999, a taxpayer who is the  
19 custodian of one or more qualifying pupils shall be allowed a  
20 credit against the tax imposed by subsections (a) and (b) of  
21 this Section for qualified education expenses incurred on  
22 behalf of the qualifying pupils. The credit shall be equal to  
23 25% of qualified education expenses, but in no event may the  
24 total credit under this subsection claimed by a family that is  
25 the custodian of qualifying pupils exceed (i) \$500 for tax  
26 years ending prior to December 31, 2017, and (ii) \$750 for tax



1 years ending on or after December 31, 2017. In no event shall a  
2 credit under this subsection reduce the taxpayer's liability  
3 under this Act to less than zero. Notwithstanding any other  
4 provision of law, for taxable years beginning on or after  
5 January 1, 2017, no taxpayer may claim a credit under this  
6 subsection (m) if the taxpayer's adjusted gross income for the  
7 taxable year exceeds (i) \$500,000, in the case of spouses  
8 filing a joint federal tax return or (ii) \$250,000, in the case  
9 of all other taxpayers. This subsection is exempt from the  
10 provisions of Section 250 of this Act.

11 For purposes of this subsection:

12 "Qualifying pupils" means individuals who (i) are  
13 residents of the State of Illinois, (ii) are under the age of  
14 21 at the close of the school year for which a credit is  
15 sought, and (iii) during the school year for which a credit is  
16 sought were full-time pupils enrolled in a kindergarten  
17 through twelfth grade education program at any school, as  
18 defined in this subsection.

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

23 "School" means any public or nonpublic elementary or  
24 secondary school in Illinois that is in compliance with Title  
25 VI of the Civil Rights Act of 1964 and attendance at which  
26 satisfies the requirements of Section 26-1 of the School Code,

1       except that nothing shall be construed to require a child to  
2       attend any particular public or nonpublic school to qualify  
3       for the credit under this Section.

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

7       (n) River Edge Redevelopment Zone site remediation tax  
8       credit.

9       (i) For tax years ending on or after December 31,  
10       2006, a taxpayer shall be allowed a credit against the tax  
11       imposed by subsections (a) and (b) of this Section for  
12       certain amounts paid for unreimbursed eligible remediation  
13       costs, as specified in this subsection. For purposes of  
14       this Section, "unreimbursed eligible remediation costs"  
15       means costs approved by the Illinois Environmental  
16       Protection Agency ("Agency") under Section 58.14a of the  
17       Environmental Protection Act that were paid in performing  
18       environmental remediation at a site within a River Edge  
19       Redevelopment Zone 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. Determinations as to  
4 credit availability for purposes of this Section shall be  
5 made consistent with rules adopted by the Pollution  
6 Control Board pursuant to the Illinois Administrative  
7 Procedure Act for the administration and enforcement of  
8 Section 58.9 of the Environmental Protection Act. For  
9 purposes of this Section, "taxpayer" includes a person  
10 whose tax attributes the taxpayer has succeeded to under  
11 Section 381 of the Internal Revenue Code and "related  
12 party" includes the persons disallowed a deduction for  
13 losses by paragraphs (b), (c), and (f)(1) of Section 267  
14 of the Internal Revenue Code by virtue of being a related  
15 taxpayer, as well as any of its partners. The credit  
16 allowed against the tax imposed by subsections (a) and (b)  
17 shall be equal to 25% of the unreimbursed eligible  
18 remediation costs in excess of \$100,000 per site.

19 (ii) A credit allowed under this subsection that is  
20 unused in the year the credit is earned may be carried  
21 forward to each of the 5 taxable years following the year  
22 for which the credit is first earned until it is used. This  
23 credit shall be applied first to the earliest year for  
24 which there is a liability. If there is a credit under this  
25 subsection from more than one tax year that is available  
26 to offset a liability, the earliest credit arising under

1           this subsection shall be applied first. A credit allowed  
2           under this subsection may be sold to a buyer as part of a  
3           sale of all or part of the remediation site for which the  
4           credit was granted. The purchaser of a remediation site  
5           and the tax credit shall succeed to the unused credit and  
6           remaining carry-forward period of the seller. To perfect  
7           the transfer, the assignor shall record the transfer in  
8           the chain of title for the site and provide written notice  
9           to the Director of the Illinois Department of Revenue of  
10          the assignor's intent to sell the remediation site and the  
11          amount of the tax credit to be transferred as a portion of  
12          the sale. In no event may a credit be transferred to any  
13          taxpayer if the taxpayer or a related party would not be  
14          eligible under the provisions of subsection (i).

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

18                 (o) For each of taxable years during the Compassionate Use  
19                 of Medical Cannabis Program, a surcharge is imposed on all  
20                 taxpayers on income arising from the sale or exchange of  
21                 capital assets, depreciable business property, real property  
22                 used in the trade or business, and Section 197 intangibles of  
23                 an organization registrant under the Compassionate Use of  
24                 Medical Cannabis Program Act. The amount of the surcharge is  
25                 equal to the amount of federal income tax liability for the  
26                 taxable year attributable to those sales and exchanges. The

1 surcharge imposed does not apply if:

2 (1) the medical cannabis cultivation center  
3 registration, medical cannabis dispensary registration, or  
4 the property of a registration is transferred as a result  
5 of any of the following:

6 (A) bankruptcy, a receivership, or a debt  
7 adjustment initiated by or against the initial  
8 registration or the substantial owners of the initial  
9 registration;

10 (B) cancellation, revocation, or termination of  
11 any registration by the Illinois Department of Public  
12 Health;

13 (C) a determination by the Illinois Department of  
14 Public Health that transfer of the registration is in  
15 the best interests of Illinois qualifying patients as  
16 defined by the Compassionate Use of Medical Cannabis  
17 Program Act;

18 (D) the death of an owner of the equity interest in  
19 a registrant;

20 (E) the acquisition of a controlling interest in  
21 the stock or substantially all of the assets of a  
22 publicly traded company;

23 (F) a transfer by a parent company to a wholly  
24 owned subsidiary; or

25 (G) the transfer or sale to or by one person to  
26 another person where both persons were initial owners

1 of the registration when the registration was issued;

2 or

3 (2) the cannabis cultivation center registration,  
4 medical cannabis dispensary registration, or the  
5 controlling interest in a registrant's property is  
6 transferred in a transaction to lineal descendants in  
7 which no gain or loss is recognized or as a result of a  
8 transaction in accordance with Section 351 of the Internal  
9 Revenue Code in which no gain or loss is recognized.

10 (p) Pass-through entity tax.

11 (1) For taxable years ending on or after December 31,  
12 2021 and beginning prior to January 1, 2026, a partnership  
13 (other than a publicly traded partnership under Section  
14 7704 of the Internal Revenue Code) or Subchapter S  
15 corporation may elect to apply the provisions of this  
16 subsection. A separate election shall be made for each  
17 taxable year. Such election shall be made at such time,  
18 and in such form and manner as prescribed by the  
19 Department, and, once made, is irrevocable.

20 (2) Entity-level tax. A partnership or Subchapter S  
21 corporation electing to apply the provisions of this  
22 subsection shall be subject to a tax for the privilege of  
23 earning or receiving income in this State in an amount  
24 equal to 4.95% of the taxpayer's net income for the  
25 taxable year.

26 (3) Net income defined.

1           (A) In general. For purposes of paragraph (2), the  
2 term net income has the same meaning as defined in  
3 Section 202 of this Act, except that, for tax years  
4 ending on or after December 31, 2023, a deduction  
5 shall be allowed in computing base income for  
6 distributions to a retired partner to the extent that  
7 the partner's distributions are exempt from tax under  
8 Section 203(a)(2)(F) of this Act. In addition, the  
9 following modifications shall not apply:

10           (i) the standard exemption allowed under  
11 Section 204;

12           (ii) the deduction for net losses allowed  
13 under Section 207;

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

16           (iv) in the case of a partnership, the  
17 modifications under Section 203(d)(2)(H) and  
18 Section 203(d)(2)(I).

19           (B) Special rule for tiered partnerships. If a  
20 taxpayer making the election under paragraph (1) is a  
21 partner of another taxpayer making the election under  
22 paragraph (1), net income shall be computed as  
23 provided in subparagraph (A), except that the taxpayer  
24 shall subtract its distributive share of the net  
25 income of the electing partnership (including its  
26 distributive share of the net income of the electing

1 partnership derived as a distributive share from  
2 electing partnerships in which it is a partner).

3 (4) Credit for entity level tax. Each partner or  
4 shareholder of a taxpayer making the election under this  
5 Section shall be allowed a credit against the tax imposed  
6 under subsections (a) and (b) of Section 201 of this Act  
7 for the taxable year of the partnership or Subchapter S  
8 corporation for which an election is in effect ending  
9 within or with the taxable year of the partner or  
10 shareholder in an amount equal to 4.95% times the partner  
11 or shareholder's distributive share of the net income of  
12 the electing partnership or Subchapter S corporation, but  
13 not to exceed the partner's or shareholder's share of the  
14 tax imposed under paragraph (1) which is actually paid by  
15 the partnership or Subchapter S corporation. If the  
16 taxpayer is a partnership or Subchapter S corporation that  
17 is itself a partner of a partnership making the election  
18 under paragraph (1), the credit under this paragraph shall  
19 be allowed to the taxpayer's partners or shareholders (or  
20 if the partner is a partnership or Subchapter S  
21 corporation then its partners or shareholders) in  
22 accordance with the determination of income and  
23 distributive share of income under Sections 702 and 704  
24 and Subchapter S of the Internal Revenue Code. If the  
25 amount of the credit allowed under this paragraph exceeds  
26 the partner's or shareholder's liability for tax imposed



1 under subsections (a) and (b) of Section 201 of this Act  
2 for the taxable year, such excess shall be treated as an  
3 overpayment for purposes of Section 909 of this Act.

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

17 (6) Liability for tax. Except as provided in this  
18 paragraph, a partnership or Subchapter S making the  
19 election under paragraph (1) is liable for the  
20 entity-level tax imposed under paragraph (2). If the  
21 electing partnership or corporation fails to pay the full  
22 amount of tax deemed assessed under paragraph (2), the  
23 partners or shareholders shall be liable to pay the tax  
24 assessed (including penalties and interest). Each partner  
25 or shareholder shall be liable for the unpaid assessment  
26 based on the ratio of the partner's or shareholder's share

1 of the net income of the partnership over the total net  
2 income of the partnership. If the partnership or  
3 Subchapter S corporation fails to pay the tax assessed  
4 (including penalties and interest) and thereafter an  
5 amount of such tax is paid by the partners or  
6 shareholders, such amount shall not be collected from the  
7 partnership or corporation.

8 (7) Foreign tax. For purposes of the credit allowed  
9 under Section 601(b)(3) of this Act, tax paid by a  
10 partnership or Subchapter S corporation to another state  
11 which, as determined by the Department, is substantially  
12 similar to the tax imposed under this subsection, shall be  
13 considered tax paid by the partner or shareholder to the  
14 extent that the partner's or shareholder's share of the  
15 income of the partnership or Subchapter S corporation  
16 allocated and apportioned to such other state bears to the  
17 total income of the partnership or Subchapter S  
18 corporation allocated or apportioned to such other state.

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

23 (9) Requirement to pay estimated tax. For each taxable  
24 year for which an election under paragraph (1) is in  
25 effect, a partnership or Subchapter S corporation is  
26 required to pay estimated tax for such taxable year under

1 Sections 803 and 804 of this Act if the amount payable as  
2 estimated tax can reasonably be expected to exceed \$500.

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

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

9 (35 ILCS 5/241 new)

10 Sec. 241. Credit for quantum computing campuses.

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

24 (b) In no event shall a credit under this Section reduce  
25 the taxpayer's liability to less than zero. If the amount of

1 the credit exceeds the tax liability for the year, the excess  
2 may be carried forward and applied to the tax liability of the  
3 5 taxable years following the excess credit year. The tax  
4 credit shall be applied to the earliest year for which there is  
5 a tax liability. If there are credits for more than one year  
6 that are available to offset a liability, the earlier credit  
7 shall be applied first.

8 (c) A person claiming the credit allowed under this  
9 Section shall attach to its Illinois income tax return for the  
10 taxable year for which the credit is allowed a copy of the tax  
11 credit certificate issued by the Department of Commerce and  
12 Economic Opportunity.

13 (d) Partners and shareholders of Subchapter S corporations  
14 are entitled to a credit under this Section as provided in  
15 Section 251.

16 (e) As used in this Section, "eligible facility" means a  
17 building used primarily to house one or more of the following:  
18 a quantum computer operator; a research facility; a data  
19 center; a manufacturer and assembler of quantum computers and  
20 component parts; a cryogenic or refrigeration facility; or any  
21 other facility determined, by industry and academic leaders,  
22 to be fundamental to the research and development of quantum  
23 computing for practical solutions.

24 (f) This Section is exempt from the provisions of Section  
25 250.

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

3 (35 ILCS 5/213)

4 Sec. 213. Film production services credit.

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

17 (b) Beginning July 1, 2024, taxpayers who have been  
18 awarded a tax credit under the Film Production Services Tax  
19 Credit Act of 2008 shall pay to the Department of Commerce and  
20 Economic Opportunity, after determination of the tax credit  
21 amount but prior to the issuance of a tax credit certificate  
22 pursuant to Section 35 of the Film Production Services Tax  
23 Credit Act of 2008, a fee equal to 2.5% of the credit amount  
24 awarded to the taxpayer under the Film Production Services Tax  
25 Credit Act of 2008 that is attributable to wages paid to

1 nonresidents, as described in Section 10 of the Film  
2 Production Services Tax Credit Act of 2008, and an additional  
3 fee equal to 0.25% of the amount generated by subtracting the  
4 credit amount awarded to the taxpayer under the Film  
5 Production Services Tax Credit Act of 2008 that is  
6 attributable to wages paid to nonresidents from the total  
7 credit amount awarded to the taxpayer under that Act. All fees  
8 collected under this subsection shall be deposited into the  
9 Illinois Production Workforce Development Fund. No tax credit  
10 certificate shall be issued by the Department of Commerce and  
11 Economic Opportunity until the total fees owed according to  
12 this subsection have been received by the Department of  
13 Commerce and Economic Opportunity.

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

1 Production Workforce Development Fund.

2 (d) The Department, in cooperation with the Department of  
3 Commerce and Economic Opportunity, must prescribe rules to  
4 enforce and administer the provisions of this Section. This  
5 Section is exempt from the provisions of Section 250 of this  
6 Act.

7 (e) The credit may not be carried back. If the amount of  
8 the credit exceeds the tax liability for the year, the excess  
9 may be carried forward and applied to the tax liability of the  
10 5 taxable years following the excess credit year. The credit  
11 shall be applied to the earliest year for which there is a tax  
12 liability. If there are credits from more than one tax year  
13 that are available to offset a liability, the earlier credit  
14 shall be applied first. In no event shall a credit under this  
15 Section reduce the taxpayer's liability to less than zero.

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

17 Section 25. The Economic Development for a Growing Economy  
18 Tax Credit Act is amended by changing Sections 5-5, 5-15,  
19 5-20, 5-35, 5-45, and 5-56 as follows:

20 (35 ILCS 10/5-5)

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

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

24 "Applicant" means a Taxpayer that is operating a business

1 located or that the Taxpayer plans to locate within the State  
2 of Illinois and that is engaged in interstate or intrastate  
3 commerce for the purpose of manufacturing, processing,  
4 assembling, warehousing, or distributing products, conducting  
5 research and development, providing tourism services, or  
6 providing services in interstate commerce, office industries,  
7 or agricultural processing, but excluding retail, retail food,  
8 health, ~~or~~ professional services, and services delivered to  
9 business customer sites. "Applicant" does not include a  
10 Taxpayer who closes or substantially reduces an operation at  
11 one location in the State and relocates substantially the same  
12 operation to another location in the State. This does not  
13 prohibit a Taxpayer from expanding its operations at another  
14 location in the State, provided that existing operations of a  
15 similar nature located within the State are not closed or  
16 substantially reduced. This also does not prohibit a Taxpayer  
17 from moving its operations from one location in the State to  
18 another location in the State for the purpose of expanding the  
19 operation provided that the Department determines that  
20 expansion cannot reasonably be accommodated within the  
21 municipality in which the business is located, or in the case  
22 of a business located in an incorporated area of the county,  
23 within the county in which the business is located, after  
24 conferring with the chief elected official of the municipality  
25 or county and taking into consideration any evidence offered  
26 by the municipality or county regarding the ability to



1 accommodate expansion within the municipality or county.

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

26 "Department" means the Department of Commerce and Economic

1 Opportunity.

2 "Director" means the Director of Commerce and Economic  
3 Opportunity.

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

18 "Incremental Income Tax" means the total amount withheld  
19 during the taxable year from the compensation of New Employees  
20 and, if applicable, retained employees under Article 7 of the  
21 Illinois Income Tax Act arising from employment at a project  
22 that is the subject of an Agreement.

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

26 "New Construction EDGE Credit" means an amount agreed to

1 between the Department and the Applicant under this Act as  
2 part of a New Construction EDGE Agreement that does not exceed  
3 50% of the Incremental Income Tax attributable to New  
4 Construction EDGE Employees at the Applicant's project;  
5 however, if the New Construction EDGE Project is located in an  
6 underserved area, then the amount of the New Construction EDGE  
7 Credit may not exceed 75% of the Incremental Income Tax  
8 attributable to New Construction EDGE Employees at the  
9 Applicant's New Construction EDGE Project.

10 "New Construction EDGE Employee" means a laborer or worker  
11 who is employed by a ~~an Illinois~~ contractor or subcontractor  
12 in the actual construction work on the site of a New  
13 Construction EDGE Project, pursuant to a New Construction EDGE  
14 Agreement.

15 "New Construction EDGE Incremental Income Tax" means the  
16 total amount withheld during the taxable year from the  
17 compensation of New Construction EDGE Employees.

18 "New Construction EDGE Project" means the building of a  
19 Taxpayer's structure or building, or making improvements of  
20 any kind to real property. "New Construction EDGE Project"  
21 does not include the routine operation, routine repair, or  
22 routine maintenance of existing structures, buildings, or real  
23 property.

24 "New Employee" means:

25 (a) A Full-time Employee first employed by a Taxpayer  
26 at in the project, or assigned to the project as their

1       primary work location, that is the subject of an Agreement  
2       and who is hired after the Taxpayer enters into the tax  
3       credit Agreement.

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

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

9                       (2) an employee of the Taxpayer who was previously  
10                      employed in Illinois by a Related Member of the  
11                      Taxpayer and whose employment was shifted to the  
12                      Taxpayer after the Taxpayer entered into the tax  
13                      credit Agreement; or

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

19               (c) Notwithstanding paragraph (1) of subsection (b),  
20               an employee may be considered a New Employee under the  
21               Agreement if the employee performs a job that was  
22               previously performed by an employee who was:

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

24                      and

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

26               (d) Notwithstanding subsection (a), the Department may

1 award Credit to an Applicant with respect to an employee  
2 hired prior to the date of the Agreement if:

3 (1) the Applicant is in receipt of a letter from  
4 the Department stating an intent to enter into a  
5 credit Agreement;

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

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

11 "Noncompliance Date" means, in the case of a Taxpayer that  
12 is not complying with the requirements of the Agreement or the  
13 provisions of this Act, the day following the last date upon  
14 which the Taxpayer was in compliance with the requirements of  
15 the Agreement and the provisions of this Act, as determined by  
16 the Director, pursuant to Section 5-65.

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

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

23 "Related Member" means a person that, with respect to the  
24 Taxpayer during any portion of the taxable year, is any one of  
25 the following:

26 (1) An individual stockholder, if the stockholder and

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

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

12 (3) A corporation, and any party related to the  
13 corporation in a manner that would require an attribution  
14 of stock from the corporation to the party or from the  
15 party to the corporation under the attribution rules of  
16 Section 318 of the Internal Revenue Code, if the Taxpayer  
17 owns directly, indirectly, beneficially, or constructively  
18 at least 50% of the value of the corporation's outstanding  
19 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 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 "Startup taxpayer" means, for Agreements that are executed  
9 before the effective date of the changes made to this Section  
10 by this amendatory Act of the 103rd General Assembly, a  
11 corporation, partnership, or other entity incorporated or  
12 organized no more than 5 years before the filing of an  
13 application for an Agreement that has never had any Illinois  
14 income tax liability, excluding any Illinois income tax  
15 liability of a Related Member which shall not be attributed to  
16 the startup taxpayer. "Startup taxpayer" means, for Agreements  
17 that are executed on or after the effective date of this  
18 amendatory Act of the 103rd General Assembly, a corporation,  
19 partnership, or other entity that is incorporated or organized  
20 no more than 10 years before the filing of an application for  
21 an Agreement and that has never had any Illinois income tax  
22 liability. For the purpose of determining whether the taxpayer  
23 has had any Illinois income tax liability, the Illinois income  
24 tax liability of a Related Member shall not be attributed to  
25 the startup taxpayer.

26 "Taxpayer" means an individual, corporation, partnership,

1 or other entity that has any Illinois Income Tax liability.

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

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

6 (2) 75% or more of the children in the area  
7 participate in the federal free lunch program according to  
8 reported statistics from the State Board of Education;

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

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

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

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

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

26 (3) at least 20% of the households in the area receive



1 assistance under the Supplemental Nutrition Assistance  
2 Program (SNAP); or

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

9 (Source: P.A. 102-330, eff. 1-1-22; 102-700, eff. 4-19-22;  
10 102-1125, eff. 2-3-23; 103-9, eff. 6-7-23.)

11 (35 ILCS 10/5-15)

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

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

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

25 (c) The Credit shall be claimed for the taxable years

1 specified in the Agreement.

2 (d) The Credit shall not exceed the Incremental Income Tax  
3 attributable to the project that is the subject of the  
4 Agreement.

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

8 (f) In lieu of the Credit allowed under this Act against  
9 the taxes imposed pursuant to subsections (a) and (b) of  
10 Section 201 of the Illinois Income Tax Act for any taxable year  
11 ending on or after December 31, 2009, for Taxpayers that  
12 entered into Agreements prior to January 1, 2015 and otherwise  
13 meet the criteria set forth in this subsection (f), the  
14 Taxpayer may elect to claim the Credit against its obligation  
15 to pay over withholding under Section 704A of the Illinois  
16 Income Tax Act.

17 (1) The election under this subsection (f) may be made  
18 only by a Taxpayer that (i) is primarily engaged in one of  
19 the following business activities: water purification and  
20 treatment, motor vehicle metal stamping, automobile  
21 manufacturing, automobile and light duty motor vehicle  
22 manufacturing, motor vehicle manufacturing, light truck  
23 and utility vehicle manufacturing, heavy duty truck  
24 manufacturing, motor vehicle body manufacturing, cable  
25 television infrastructure design or manufacturing, or  
26 wireless telecommunication or computing terminal device

1 design or manufacturing for use on public networks and

2 (ii) meets the following criteria:

3 (A) the Taxpayer (i) had an Illinois net loss or an  
4 Illinois net loss deduction under Section 207 of the  
5 Illinois Income Tax Act for the taxable year in which  
6 the Credit is awarded, (ii) employed a minimum of  
7 1,000 full-time employees in this State during the  
8 taxable year in which the Credit is awarded, (iii) has  
9 an Agreement under this Act on December 14, 2009 (the  
10 effective date of Public Act 96-834), and (iv) is in  
11 compliance with all provisions of that Agreement;

12 (B) the Taxpayer (i) had an Illinois net loss or an  
13 Illinois net loss deduction under Section 207 of the  
14 Illinois Income Tax Act for the taxable year in which  
15 the Credit is awarded, (ii) employed a minimum of  
16 1,000 full-time employees in this State during the  
17 taxable year in which the Credit is awarded, and (iii)  
18 has applied for an Agreement within 365 days after  
19 December 14, 2009 (the effective date of Public Act  
20 96-834);

21 (C) the Taxpayer (i) had an Illinois net operating  
22 loss carryforward under Section 207 of the Illinois  
23 Income Tax Act in a taxable year ending during  
24 calendar year 2008, (ii) has applied for an Agreement  
25 within 150 days after the effective date of this  
26 amendatory Act of the 96th General Assembly, (iii)

1 creates at least 400 new jobs in Illinois, (iv)  
2 retains at least 2,000 jobs in Illinois that would  
3 have been at risk of relocation out of Illinois over a  
4 10-year period, and (v) makes a capital investment of  
5 at least \$75,000,000;

6 (D) the Taxpayer (i) had an Illinois net operating  
7 loss carryforward under Section 207 of the Illinois  
8 Income Tax Act in a taxable year ending during  
9 calendar year 2009, (ii) has applied for an Agreement  
10 within 150 days after the effective date of this  
11 amendatory Act of the 96th General Assembly, (iii)  
12 creates at least 150 new jobs, (iv) retains at least  
13 1,000 jobs in Illinois that would have been at risk of  
14 relocation out of Illinois over a 10-year period, and  
15 (v) makes a capital investment of at least  
16 \$57,000,000; or

17 (E) the Taxpayer (i) employed at least 2,500  
18 full-time employees in the State during the year in  
19 which the Credit is awarded, (ii) commits to make at  
20 least \$500,000,000 in combined capital improvements  
21 and project costs under the Agreement, (iii) applies  
22 for an Agreement between January 1, 2011 and June 30,  
23 2011, (iv) executes an Agreement for the Credit during  
24 calendar year 2011, and (v) was incorporated no more  
25 than 5 years before the filing of an application for an  
26 Agreement.

1           (1.5) The election under this subsection (f) may also  
2           be made by a Taxpayer for any Credit awarded pursuant to an  
3           agreement that was executed between January 1, 2011 and  
4           June 30, 2011, if the Taxpayer (i) is primarily engaged in  
5           the manufacture of inner tubes or tires, or both, from  
6           natural and synthetic rubber, (ii) employs a minimum of  
7           2,400 full-time employees in Illinois at the time of  
8           application, (iii) creates at least 350 full-time jobs and  
9           retains at least 250 full-time jobs in Illinois that would  
10          have been at risk of being created or retained outside of  
11          Illinois, and (iv) makes a capital investment of at least  
12          \$200,000,000 at the project location.

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

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

16           (1.8) Notwithstanding any other provision of law, the  
17 election under this subsection (f) may also be made by a  
18 startup taxpayer for any Credit awarded pursuant to an  
19 Agreement that was executed on or after the effective date  
20 of this amendatory Act of the 102nd General Assembly. Any  
21 such election under this paragraph (1.8) shall be  
22 effective unless and until such startup taxpayer has any  
23 Illinois income tax liability. This election under this  
24 paragraph (1.8) shall automatically terminate when the  
25 startup taxpayer has any Illinois income tax liability at  
26 the end of any taxable year during the term of the

1 Agreement. Thereafter, the startup taxpayer may receive a  
2 Credit, taking into account any benefits previously  
3 enjoyed or received by way of the election under this  
4 paragraph (1.8), so long as the startup taxpayer remains  
5 in compliance with the terms and conditions of the  
6 Agreement.

7 (1.9) Notwithstanding any other provision of law, the  
8 election under this subsection (f) may also be made by an  
9 applicant qualified under paragraph (1.7) of subsection  
10 (b) of Section 5-20 for any Credit awarded pursuant to an  
11 Agreement that was executed on or after the effective date  
12 of this amendatory Act of the 103rd General Assembly. Any  
13 such election under this paragraph (1.9) shall be  
14 effective unless and until such taxpayer has any Illinois  
15 income tax liability. This election under this paragraph  
16 (1.9) shall automatically terminate when the taxpayer has  
17 any Illinois income tax liability at the end of any  
18 taxable year during the term of the Agreement. Thereafter,  
19 the startup taxpayer may receive a Credit, taking into  
20 account any benefits previously enjoyed or received by way  
21 of the election under this paragraph (1.9), so long as the  
22 startup taxpayer remains in compliance with the terms and  
23 conditions of the Agreement.

24 (2) An election under this subsection shall allow the  
25 credit to be taken against payments otherwise due under  
26 Section 704A of the Illinois Income Tax Act during the

1 first calendar quarter beginning after the end of the  
2 taxable quarter in which the credit is awarded under this  
3 Act.

4 (3) The election shall be made in the form and manner  
5 required by the Illinois Department of Revenue and, once  
6 made, shall be irrevocable.

7 (4) If a Taxpayer who meets the requirements of  
8 subparagraph (A) of paragraph (1) of this subsection (f)  
9 elects to claim the Credit against its withholdings as  
10 provided in this subsection (f), then, on and after the  
11 date of the election, the terms of the Agreement between  
12 the Taxpayer and the Department may not be further amended  
13 during the term of the Agreement.

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



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

2 (35 ILCS 10/5-20)

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

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

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

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

23 (1.5) if the Applicant has more than 100 employees,  
24 employ a number of new employees in the State equal to the  
25 lesser of (A) 10% of the number of full-time employees

1 employed by the applicant world-wide on the date the  
2 application is filed with the Department or (B) 50 New  
3 Employees; and, if the Applicant has 100 or fewer  
4 employees, employ a number of new employees in the State  
5 equal to the lesser of (A) 5% of the number of full-time  
6 employees employed by the applicant world-wide on the date  
7 the application is filed with the Department or (B) 50 New  
8 Employees;

9 (1.6) if the Applicant is a startup taxpayer, the  
10 employees employed by Related Members shall not be  
11 attributed to the Applicant for purposes of determining  
12 the capital investment or job creation requirements under  
13 this subsection (b);

14 (1.7) if the agreement is entered into on or after the  
15 effective date of this amendatory Act of the 103rd General  
16 Assembly and the Applicant's project:

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

19 (B) is placed in service after approval of the  
20 application; and

21 (C) creates jobs for at least 100 new full-time  
22 employees.

23 (2) (blank);

24 (3) (blank); and

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

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

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

5 (35 ILCS 10/5-35)

6 Sec. 5-35. Relocation of jobs in Illinois. A taxpayer is  
7 not entitled to claim the credit provided by this Act with  
8 respect to any jobs that the taxpayer relocates from one site  
9 in Illinois unless the taxpayer has agreed to hire the minimum  
10 number of new employees and the Department has determined that  
11 the expansion cannot reasonably be accommodated within the  
12 municipality in which the business is located ~~to another site~~  
13 ~~in Illinois. A taxpayer with respect to a qualifying project~~  
14 ~~certified under the Corporate Headquarters Relocation Act,~~  
15 ~~however, is not subject to the requirements of this Section~~  
16 ~~but is nevertheless considered an applicant for purposes of~~  
17 ~~this Act. Moreover, any full time employee of an eligible~~  
18 ~~business relocated to Illinois in connection with that~~  
19 ~~qualifying project is deemed to be a new employee for purposes~~  
20 ~~of this Act.~~ Determinations under this Section shall be made  
21 by the Department.

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

23 (35 ILCS 10/5-45)

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

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

10 (b) Notwithstanding subsection (a), and except as the  
11 credit may be applied in a carryover year pursuant to Section  
12 211(4) of the Illinois Income Tax Act, the credit may be  
13 applied against the State income tax liability in more than 10  
14 taxable years but not in more than 15 taxable years for an  
15 eligible business that (i) qualifies under this Act and the  
16 Corporate Headquarters Relocation Act and has in fact  
17 undertaken a qualifying project within the time frame  
18 specified by the Department of Commerce and Economic  
19 Opportunity under that Act, and (ii) applies against its State  
20 income tax liability, during the entire 15-year period, no  
21 more than 60% of the maximum credit per year that would  
22 otherwise be available under this Act.

23 (c) Nothing in this Section shall prevent the Department,  
24 in consultation with the Department of Revenue, from adopting  
25 rules to extend the sunset of any earned, existing, and unused  
26 tax credit or credits a taxpayer may be in possession of, as

1 provided for in Section 605-1070 of the Department of Commerce  
2 and Economic Opportunity Law of the Civil Administrative Code  
3 of Illinois, notwithstanding the carry-forward provisions  
4 pursuant to paragraph (4) of Section 211 of the Illinois  
5 Income Tax Act.

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

7 (35 ILCS 10/5-56)

8 Sec. 5-56. Annual report. ~~Certified payroll.~~ Annually,  
9 until construction is completed, a company seeking New  
10 Construction EDGE Credits shall submit a report that, at a  
11 minimum, describes the projected project scope, timeline, and  
12 anticipated budget. Once the project has commenced, the annual  
13 report shall include actual data for the prior year as well as  
14 projections for each additional year through completion of the  
15 project. The Department shall issue detailed reporting  
16 guidelines prescribing the requirements of construction  
17 related reports. In order to receive credit for construction  
18 expenses, the company must provide the Department with  
19 evidence that a certified third-party executed an Agreed-Upon  
20 Procedure (AUP) verifying the construction expenses or accept  
21 the standard construction wage expense estimated by the  
22 Department.

23 Upon review of the final project scope, timeline, budget,  
24 and AUP, the Department shall issue a tax credit certificate  
25 reflecting a percentage of the total construction job wages

1 paid throughout the completion of the project.

2 ~~Each contractor and subcontractor that is engaged in and is~~  
3 ~~executing a New Construction EDGE Project for a Taxpayer,~~  
4 ~~pursuant to a New Construction EDGE Agreement shall:~~

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 New Construction EDGE Project pursuant~~  
9 ~~to a New Construction EDGE Agreement, records of all~~  
10 ~~laborers and other workers employed by the contractor or~~  
11 ~~subcontractor on the project; the records shall include:~~

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

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

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

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

16 ~~(E) the worker's classification or~~  
17 ~~classifications;~~

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

20 ~~(G) the worker's number of hours worked 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~~

~~month to the taxpayer in charge of the project; within 5 business days after receiving the certified payroll, the taxpayer shall file the certified payroll with the Department of Labor and the Department of Commerce and Economic Opportunity; a certified payroll must be filed for only those calendar months during which construction on a New Construction EDGE Project has occurred; the certified payroll shall consist of a complete copy of the records identified in paragraph (1), but may exclude the starting and ending times of work each day; the certified payroll shall be accompanied by a statement signed by the contractor or subcontractor or an officer, employee, or agent of the contractor or subcontractor which avers that:~~

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

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

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

~~Any contractor or subcontractor subject to this Section, and any officer, employee, or agent of such contractor or subcontractor whose duty as an officer, employee, or agent it~~

1 ~~is to file a certified payroll under this Section, who~~  
2 ~~willfully fails to file such a certified payroll on or before~~  
3 ~~the date such certified payroll is required to be filed and any~~  
4 ~~person who willfully files a false certified payroll that is~~  
5 ~~false as to any material fact is in violation of this Act and~~  
6 ~~guilty of a Class A misdemeanor.~~

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

12 ~~The records submitted in accordance with this Section~~  
13 ~~shall be considered public records, except an employee's~~  
14 ~~address, telephone number, and social security number, and~~  
15 ~~made available in accordance with the Freedom of Information~~  
16 ~~Act. The Department of Labor shall accept any reasonable~~  
17 ~~submissions by the contractor that meet the requirements of~~  
18 ~~this Section and shall share the information with the~~  
19 ~~Department in order to comply with the awarding of New~~  
20 ~~Construction EDGE Credits. A contractor, subcontractor, or~~  
21 ~~public body may retain records required under this Section in~~  
22 ~~paper or electronic format.~~

23 ~~Upon 7 business days' notice, the taxpayer contractor and~~  
24 ~~each subcontractor shall make available for inspection and~~  
25 ~~copying at a location within this State during reasonable~~  
26 ~~hours, the records identified in paragraph (1) of this Section~~



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

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

6 Section 27. The Film Production Services Tax Credit Act of  
7 2008 is amended by changing Sections 10 and 46 as follows:

8 (35 ILCS 16/10)

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

10 "Accredited production" means: (i) for productions  
11 commencing before May 1, 2006, a film, video, or television  
12 production that has been certified by the Department in which  
13 the aggregate Illinois labor expenditures included in the cost  
14 of the production, in the period that ends 12 months after the  
15 time principal filming or taping of the production began,  
16 exceed \$100,000 for productions of 30 minutes or longer, or  
17 \$50,000 for productions of less than 30 minutes; and (ii) for  
18 productions commencing on or after May 1, 2006, a film, video,  
19 or television production that has been certified by the  
20 Department in which the Illinois production spending included  
21 in the cost of production in the period that ends 12 months  
22 after the time principal filming or taping of the production  
23 began exceeds \$100,000 for productions of 30 minutes or longer  
24 or exceeds \$50,000 for productions of less than 30 minutes.

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

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

4 (2) is a talk show produced for local or regional  
5 markets;

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

8 (4) is a sports event or activity;

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

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

11 (7) is a production produced by a film production  
12 company if records, as required by 18 U.S.C. 2257, are to  
13 be maintained by that film production company with respect  
14 to any performer portrayed in that single media or  
15 multimedia program; or

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

18 "Accredited animated production" means an accredited  
19 production in which movement and characters' performances are  
20 created using a frame-by-frame technique and a significant  
21 number of major characters are animated. Motion capture by  
22 itself is not an animation technique.

23 "Accredited production certificate" means a certificate  
24 issued by the Department certifying that the production is an  
25 accredited production that meets the guidelines of this Act.

26 "Applicant" means a taxpayer that is a film production

1 company that is operating or has operated an accredited  
2 production located within the State of Illinois and that (i)  
3 owns the copyright in the accredited production throughout the  
4 Illinois production period or (ii) has contracted directly  
5 with the owner of the copyright in the accredited production  
6 or a person acting on behalf of the owner to provide services  
7 for the production, where the owner of the copyright is not an  
8 eligible production corporation.

9 "Credit" means:

10 (1) for an accredited production approved by the  
11 Department on or before January 1, 2005 and commencing  
12 before May 1, 2006, the amount equal to 25% of the Illinois  
13 labor expenditure approved by the Department. The  
14 applicant is deemed to have paid, on its balance due day  
15 for the year, an amount equal to 25% of its qualified  
16 Illinois labor expenditure for the tax year. For Illinois  
17 labor expenditures generated by the employment of  
18 residents of geographic areas of high poverty or high  
19 unemployment, as determined by the Department, in an  
20 accredited production commencing before May 1, 2006 and  
21 approved by the Department after January 1, 2005, the  
22 applicant shall receive an enhanced credit of 10% in  
23 addition to the 25% credit; and

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

1 (i) 20% of the Illinois production spending for  
2 the taxable year; plus

3 (ii) 15% of the Illinois labor expenditures  
4 generated by the employment of residents of geographic  
5 areas of high poverty or high unemployment, as  
6 determined by the Department; and

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

9 (i) 30% of the Illinois production spending for  
10 the taxable year; plus

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

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

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

19 "Illinois labor expenditure" means salary or wages paid to  
20 employees of the applicant for services on the accredited  
21 production.

22 To qualify as an Illinois labor expenditure, the  
23 expenditure must be:

24 (1) Reasonable in the circumstances.

25 (2) Included in the federal income tax basis of the  
26 property.

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

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

6           (5) Limited to the first \$25,000 of wages paid or  
7           incurred to each employee of a production commencing  
8           before May 1, 2006 and the first \$100,000 of wages paid or  
9           incurred to each employee of a production commencing on or  
10          after May 1, 2006 and prior to July 1, 2022. For  
11          productions commencing on or after July 1, 2022, limited  
12          to the first \$500,000 of wages paid or incurred to each  
13          eligible nonresident or resident employee of a production  
14          company or loan out company that provides in-State  
15          services to a production, whether those wages are paid or  
16          incurred by the production company, loan out company, or  
17          both, subject to withholding payments provided for in  
18          Article 7 of the Illinois Income Tax Act. For purposes of  
19          calculating Illinois labor expenditures for a television  
20          series, the eligible nonresident wage limitations provided  
21          under this subparagraph are applied to the entire season.  
22          For the purpose of this paragraph (5), an eligible  
23          nonresident is a nonresident whose wages qualify as an  
24          Illinois labor expenditure under the provisions of  
25          paragraph (9) that apply to that production.

26          (6) For a production commencing before May 1, 2006,

1 exclusive of the salary or wages paid to or incurred for  
2 the 2 highest paid employees of the production.

3 (7) Directly attributable to the accredited  
4 production.

5 (8) (Blank).

6 (9) Prior to July 1, 2022, paid to persons resident in  
7 Illinois at the time the payments were made. For a  
8 production commencing on or after July 1, 2022, paid to  
9 persons resident in Illinois and nonresidents at the time  
10 the payments were made.

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

26 For purposes of this subparagraph, if the production

1 is accredited by the Department on or after the effective  
2 date of this amendatory Act of the 102nd General Assembly,  
3 wages paid to nonresidents shall qualify as Illinois labor  
4 expenditures only under the following conditions:

5 (A) the nonresident must be employed in a  
6 qualified position;

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

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

15 (D) for an accredited production with Illinois  
16 production spending of more than \$25,000,000, no more  
17 than 4 nonresident actors' wages shall qualify as  
18 Illinois labor expenditures.

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

23 (10) Paid for services rendered in Illinois.

24 "Illinois production spending" means the expenses incurred  
25 by the applicant for an accredited production, but does not  
26 include any monetary prize or the cost of any non-monetary

1 prize awarded pursuant to a production in respect of a game,  
2 questionnaire, or contest. "Illinois production spending"  
3 includes, ~~including,~~ without limitation, all of the following:

4 (1) expenses to purchase, from vendors within  
5 Illinois, tangible personal property that is used in the  
6 accredited production;

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

9 (3) for a production commencing before July 1, 2022,  
10 the compensation, not to exceed \$100,000 for any one  
11 employee, for contractual or salaried employees who are  
12 Illinois residents performing services with respect to the  
13 accredited production. For a production commencing on or  
14 after July 1, 2022, the compensation, not to exceed  
15 \$500,000 for any one employee, for contractual or salaried  
16 employees who are Illinois residents or nonresident  
17 employees, subject to the limitations set forth under  
18 Section 10 of this Act.

19 "Loan out company" means a personal service corporation or  
20 other entity that is under contract with the taxpayer to  
21 provide specified individual personnel, such as artists, crew,  
22 actors, producers, or directors for the performance of  
23 services used directly in a production. "Loan out company"  
24 does not include entities contracted with by the taxpayer to  
25 provide goods or ancillary contractor services such as  
26 catering, construction, trailers, equipment, or



1 transportation.

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

6 Rulemaking authority to implement Public Act 95-1006, if  
7 any, is conditioned on the rules being adopted in accordance  
8 with all provisions of the Illinois Administrative Procedure  
9 Act and all rules and procedures of the Joint Committee on  
10 Administrative Rules; any purported rule not so adopted, for  
11 whatever reason, is unauthorized.

12 (Source: P.A. 102-558, eff. 8-20-21; 102-700, eff. 4-19-22;  
13 102-1125, eff. 2-3-23.)

14 (35 ILCS 16/46)

15 Sec. 46. Illinois Production Workforce Development Fund.

16 (a) The Illinois Production Workforce Development Fund is  
17 created as a special fund in the State Treasury. Beginning  
18 July 1, 2023 ~~July 1, 2022~~, amounts paid to the Department of  
19 Commerce and Economic Opportunity pursuant to Section 213 of  
20 the Illinois Income Tax Act shall be deposited into the Fund.  
21 The Fund shall be used exclusively to provide grants to  
22 community-based organizations, labor organizations, private  
23 and public universities, community colleges, and other  
24 organizations and institutions that may be deemed appropriate  
25 by the Department to administer workforce training programs

1 that support efforts to recruit, hire, promote, retain,  
2 develop, and train a diverse and inclusive workforce in the  
3 film industry.

4 (b) Pursuant to Section 213 of the Illinois Income Tax  
5 Act, taxpayers who have been awarded a tax credit under this  
6 Act shall pay to the Department of Commerce and Economic  
7 Opportunity, after determination of the tax credit amount but  
8 prior to the issuance of a tax credit certificate, a fee equal  
9 to 2.5% of the credit amount awarded to the taxpayer under the  
10 Film Production Services Tax Credit Act of 2008 that is  
11 attributable to wages paid to nonresidents, as described in  
12 Section 10 of the Film Production Services Tax Credit Act of  
13 2008, and an additional fee equal to 0.25% of the amount  
14 generated by subtracting the credit amount awarded to the  
15 taxpayer under the Film Production Services Tax Credit Act of  
16 2008 that is attributable to wages paid to nonresidents from  
17 the total credit amount awarded to the taxpayer under that  
18 Act. All fees collected under this subsection shall be  
19 deposited into the Illinois Production Workforce Development  
20 Fund. No tax credit certificate shall be issued by the  
21 Department of Commerce and Economic Opportunity until the  
22 total fees owed according to this subsection have been  
23 received by the Department of Commerce and Economic  
24 Opportunity. ~~the Fund shall receive deposits in amounts not to~~  
25 ~~exceed 0.25% of the amount of each credit certificate issued~~  
26 ~~that is not calculated on out of state wages and transferred~~

~~er claimed on an Illinois tax return in the quarter such credit was transferred or claimed. In addition, such amount shall also include 2.5% of the credit amount calculated on wages paid to nonresidents that is transferred or claimed on an Illinois tax return in the quarter such credit was transferred or claimed.~~

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

(d) Of the appropriated funds in a given fiscal year, 50% of the appropriated funds shall be reserved for organizations that meet one of the following criteria. The organization is: (1) a minority-owned business, as defined by the Business Enterprise for Minorities, Women, and Persons with Disabilities Act; (2) located in an underserved area, as defined by the Economic Development for a Growing Economy Tax Credit Act; or (3) on an annual basis, training a cohort of program participants where at least 50% of the program participants are either a minority person, as defined by the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, or reside in an underserved area, as defined by the Economic Development for a Growing Economy Tax Credit

1 Act.

2 (e) The Illinois Production Workforce Development Fund  
3 shall be administered by the Department. The Department may  
4 adopt rules necessary to administer the provisions of this  
5 Section.

6 (f) Notwithstanding any other law to the contrary, the  
7 Illinois Production Workforce Development Fund is not subject  
8 to sweeps, administrative charge-backs, or any other fiscal or  
9 budgetary maneuver that would in any way transfer any amounts  
10 from the Illinois Production Workforce Development Fund.

11 (g) By June 30 of each fiscal year, the Department must  
12 submit to the General Assembly a report that includes the  
13 following information: (1) an identification of the  
14 organizations and institutions that received funding to  
15 administer workforce training programs during the fiscal year;  
16 (2) the number of total persons trained and the number of  
17 persons trained per workforce training program in the fiscal  
18 year; and (3) in the aggregate, per organization, the number  
19 of persons identified as a minority person or that reside in an  
20 underserved area that received training in the fiscal year.

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

22 Section 30. The Manufacturing Illinois Chips for Real  
23 Opportunity (MICRO) Act is amended by changing Sections 110-5,  
24 110-10, 110-20, 110-35, 110-65, and 110-95 as follows:

1 (35 ILCS 45/110-5)

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

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

22 (35 ILCS 45/110-10)

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

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

1 "Applicant" means a taxpayer that: (i) operates a business  
2 in Illinois as a quantum computer manufacturer, a  
3 semiconductor manufacturer, a microchip manufacturer, or a  
4 manufacturer of quantum computer, semiconductor, or microchip  
5 component parts or a business in Illinois that primarily  
6 engages in research and development in the manufacturing of  
7 quantum computers, semiconductors, or microchips; or (ii) is  
8 planning to locate a business within the State of Illinois as a  
9 quantum computer manufacturer, a semiconductor manufacturer, a  
10 microchip manufacturer, or a manufacturer of quantum computer,  
11 semiconductor, or microchip component parts or a business  
12 within the State of Illinois that primarily engages in  
13 research and development in the manufacturing of quantum  
14 computers, semiconductors, or microchips. For the purposes of  
15 this definition, a business primarily engages in research and  
16 development in the manufacturing of quantum computers,  
17 semiconductors, or microchips if at least 50% of its business  
18 activities involve research and development in the  
19 manufacturing of quantum computers, semiconductors, or  
20 microchips. "Applicant" does not include a taxpayer who closes  
21 or substantially reduces by more than 50% operations at one  
22 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 "Capital improvements" means the purchase, renovation,  
13 rehabilitation, or construction of permanent tangible land,  
14 buildings, structures, equipment, and furnishings in an  
15 approved project sited in Illinois and expenditures for goods  
16 or services that are normally capitalized, including  
17 organizational costs and research and development costs  
18 incurred in Illinois. For land, buildings, structures, and  
19 equipment that are leased, the lease must equal or exceed the  
20 term of the agreement, and the cost of the property shall be  
21 determined from the present value, using the corporate  
22 interest rate prevailing at the time of the application, of  
23 the lease payments.

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

26 "Department" means the Department of Commerce and Economic

1 Opportunity.

2 "Director" means the Director of Commerce and Economic  
3 Opportunity.

4 "Energy Transition Area" means a county with less than  
5 100,000 people or a municipality that contains one or more of  
6 the following:

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

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

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

25 "Incremental income tax" means the total amount withheld  
26 during the taxable year from the compensation of new employees



1 and, if applicable, retained employees under Article 7 of the  
2 Illinois Income Tax Act arising from employment at a project  
3 that is the subject of an agreement.

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

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

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

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

22 "Microchip manufacturer" means a new or existing  
23 manufacturer that is focused on reequipping, expanding, or  
24 establishing a manufacturing facility in Illinois that  
25 produces microchips or ~~key~~ components that directly support  
26 the functions of microchips.

1 "Minority person" means a minority person as defined in  
2 the Business Enterprise for Minorities, Women, and Persons  
3 with Disabilities Act.

4 "New employee" means a newly-hired full-time employee  
5 employed to work at the project site and whose work is directly  
6 related to the project.

7 "Noncompliance date" means, in the case of a taxpayer that  
8 is not complying with the requirements of the agreement or the  
9 provisions of this Act, the day following the last date upon  
10 which the taxpayer was in compliance with the requirements of  
11 the agreement and the provisions of this Act, as determined by  
12 the Director.

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

16 "Placed in service" means the state or condition of  
17 readiness, availability for a specifically assigned function,  
18 and the facility is constructed and ready to conduct its  
19 facility operations to manufacture goods.

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

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

25 "Project" means a for-profit economic development activity  
26 for the manufacture of quantum computers, semiconductors, or

1 ~~and~~ microchips.

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

5 "Quantum computer manufacturer" or "manufacturer of  
6 quantum computers or quantum computer component parts" means a  
7 new or existing manufacturer that is focused on reequipping,  
8 expanding, or establishing a facility in Illinois that  
9 manufactures a quantum computer, quantum computer prototype  
10 devices, or components that support the functions of a quantum  
11 computer.

12 "Related member" means a person that, with respect to the  
13 taxpayer during any portion of the taxable year, is any one of  
14 the following:

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

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

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

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

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

22           "Research and development in the manufacturing of quantum  
23 computers, semiconductors, or microchips" means work directed  
24 toward the innovation, introduction, and improvement of  
25 products and processes in the space of quantum computing  
26 manufacturing, semiconductor manufacturing, microchip

1 manufacturing, or the manufacturing of semiconductor, quantum  
2 computer, or microchip component parts.

3 "Retained employee" means a full-time employee employed by  
4 the taxpayer prior to the term of the agreement who continues  
5 to be employed during the term of the agreement whose job  
6 duties are directly and substantially related to the project.  
7 For purposes of this definition, "directly and substantially  
8 related to the project" means at least two-thirds of the  
9 employee's job duties must be directly related to the project  
10 and the employee must devote at least two-thirds of his or her  
11 time to the project. The term "retained employee" does not  
12 include any individual who has a direct or an indirect  
13 ownership interest of at least 5% in the profits, equity,  
14 capital, or value of the taxpayer or a child, grandchild,  
15 parent, or spouse, other than a spouse who is legally  
16 separated from the individual, of any individual who has a  
17 direct or indirect ownership of at least 5% in the profits,  
18 equity, capital, or value of the taxpayer.

19 "Semiconductor" means any class of crystalline solids  
20 intermediate in electrical conductivity between a conductor  
21 and an insulator.

22 "Semiconductor manufacturer" means a new or existing  
23 manufacturer that is focused on reequipping, expanding, or  
24 establishing a manufacturing facility in Illinois that  
25 produces semiconductors or ~~key~~ components that directly  
26 support the functions of semiconductors. Semiconductor

1 manufacturing also includes the manufacturing of component  
2 parts that are required for the development and operation of  
3 quantum computers and quantum computing facilities.

4 "Statewide baseline" means the total number of full-time  
5 employees of the applicant and any related member employed by  
6 such entities at the time of application for incentives under  
7 this Act.

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

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

26 "Underserved area" means any geographic area ~~areas~~ as

1 defined in Section 5-5 of the Economic Development for a  
2 Growing Economy Tax Credit Act.

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

4 (35 ILCS 45/110-20)

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

7 (a) The Manufacturing Illinois Chips for Real Opportunity  
8 (MICRO) Program is hereby established and shall be  
9 administered by the Department. The Program will provide  
10 financial incentives to eligible semiconductor manufacturers,  
11 ~~and~~ microchip manufacturers, quantum computer manufacturers,  
12 and companies that primarily engage in research and  
13 development in the manufacturing of quantum computers,  
14 semiconductors, or microchips. For the purposes of this  
15 Section, a company is primarily engaged in research and  
16 development in the manufacturing of quantum computers,  
17 semiconductors, or microchips if at least 50% of its business  
18 activities involve research and development in the  
19 manufacturing of quantum computers, semiconductors, or  
20 microchips..

21 (b) Any taxpayer planning a project to be located in  
22 Illinois may request consideration for designation of its  
23 project as a MICRO 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 a specified number of  
2 full-time employees at a designated location in Illinois. As  
3 circumstances require, the Department shall require a formal  
4 application from an applicant and a formal letter of request  
5 for assistance.

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

8 (1) for a semiconductor manufacturer, a ~~or~~ microchip  
9 manufacturer, a quantum computer manufacturer, or a  
10 company focusing on research and development in the  
11 manufacturing of quantum computers, semiconductors, or  
12 microchips:

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

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

18 (C) create at least 500 new full-time employee  
19 jobs; or

20 (2) for a semiconductor or microchip component parts  
21 manufacturer:

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

24 (B) manufacture one or more parts that are  
25 primarily used for the manufacture of semiconductors  
26 or microchips;



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

4 (D) create at least 150 new full-time employee  
5 jobs; or

6 (3) for a semiconductor manufacturer, a ~~or~~ microchip  
7 manufacturer, a quantum computer manufacturer, a company  
8 focusing on research and development in the manufacturing  
9 of quantum computers, semiconductors, or microchips, or ~~or~~  
10 a semiconductor or microchip component parts manufacturer  
11 that does not qualify under paragraph (2) above:

12 (A) make an investment of at least \$2,500,000  
13 ~~\$20,000,000~~ in capital improvements at the project  
14 site;

15 (B) to be placed in service within the State  
16 within a 48-month period after approval of the  
17 application; and

18 (C) create at least 50 new full-time employee jobs  
19 or new full-time employees equivalent to 10% of the  
20 number of full-time employees employed by the  
21 applicant world-wide on the date the application is  
22 filed with the Department; or

23 (4) for a semiconductor manufacturer, quantum computer  
24 manufacturer, ~~or~~ microchip manufacturer, or ~~a~~  
25 semiconductor or microchip component parts manufacturer  
26 with existing operations in Illinois that intends to

1 convert or expand, in whole or in part, the existing  
2 facility from traditional manufacturing to semiconductor  
3 manufacturing, quantum computer manufacturing, or  
4 microchip manufacturing or semiconductor, quantum  
5 computer, or microchip component parts manufacturing, or a  
6 company focusing on research and development in the  
7 manufacturing of quantum computers, semiconductors, or  
8 microchips:

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

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

14 (C) create the lesser of 75 new full-time employee  
15 jobs or new full-time employee jobs equivalent to 10%  
16 of the Statewide baseline applicable to the taxpayer  
17 and any related member at the time of application.

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

23 (e) Each applicant must outline its hiring plan and  
24 commitment to recruit and hire full-time employee positions at  
25 the project site. The hiring plan may include a partnership  
26 with an institution of higher education to provide

1 internships, including, but not limited to, internships  
2 supported by the Clean Jobs Workforce Network Program, or  
3 full-time permanent employment for students at the project  
4 site. Additionally, the applicant may create or utilize  
5 participants from apprenticeship programs that are approved by  
6 and registered with the United States Department of Labor's  
7 Bureau of Apprenticeship and Training. The Applicant may apply  
8 for apprenticeship education expense credits in accordance  
9 with the provisions set forth in 14 Ill. Admin. Code 522. Each  
10 applicant is required to report annually, on or before April  
11 15, on the diversity of its workforce in accordance with  
12 Section 110-50 of this Act. For existing facilities of  
13 applicants under paragraph (3) of subsection (b) above, if the  
14 taxpayer expects a reduction in force due to its transition to  
15 manufacturing semiconductors, microchips, or semiconductor or  
16 microchip component parts, the plan submitted under this  
17 Section must outline the taxpayer's plan to assist with  
18 retraining its workforce aligned with the taxpayer's adoption  
19 of new technologies and anticipated efforts to retrain  
20 employees through employment opportunities within the  
21 taxpayer's workforce.

22 (f) A taxpayer may not enter into more than one agreement  
23 under this Act with respect to a single address or location for  
24 the same period of time. Also, a taxpayer may not enter into an  
25 agreement under this Act with respect to a single address or  
26 location for the same period of time for which the taxpayer

1 currently holds an active agreement under the Economic  
2 Development for a Growing Economy Tax Credit Act. This  
3 provision does not preclude the applicant from entering into  
4 an additional agreement after the expiration or voluntary  
5 termination of an earlier agreement under this Act or under  
6 the Economic Development for a Growing Economy Tax Credit Act  
7 to the extent that the taxpayer's application otherwise  
8 satisfies the terms and conditions of this Act and is approved  
9 by the Department. An applicant with an existing agreement  
10 under the Economic Development for a Growing Economy Tax  
11 Credit Act may submit an application for an agreement under  
12 this Act after it terminates any existing agreement under the  
13 Economic Development for a Growing Economy Tax Credit Act with  
14 respect to the same address or location.

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

16 (35 ILCS 45/110-35)

17 Sec. 110-35. Relocation of jobs in Illinois. A taxpayer is  
18 not entitled to claim a credit provided by this Act with  
19 respect to any jobs that the taxpayer relocates from one site  
20 in Illinois to another site in Illinois unless the taxpayer  
21 has agreed to hire the minimum number of new employees and the  
22 Department has determined that the expansion cannot reasonably  
23 be accommodated within the municipality in which the business  
24 is located. Any full-time employee relocated to Illinois in  
25 connection with a qualifying project is deemed to be a new

1 employee for purposes of this Act. Determinations under this  
2 Section shall be made by the Department.

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

4 (35 ILCS 45/110-65)

5 Sec. 110-65. Certified payroll.

6 (a) Annually, until construction is completed, a company  
7 seeking MICRO Construction Job Credits shall submit a report  
8 that, at a minimum, describes the projected project scope,  
9 timeline, and anticipated budget. Once the project has  
10 commenced, the annual report shall include actual data for the  
11 prior year as well as projections for each additional year  
12 through completion of the project. The Department shall issue  
13 detailed reporting guidelines prescribing the requirements of  
14 construction-related reports. ~~Each contractor and~~  
15 ~~subcontractor that is engaged in construction work on project~~  
16 ~~facilities for a taxpayer who seeks to apply for a MICRO~~  
17 ~~Construction Jobs Credit shall:~~

18 ~~(1) make and keep, for a period of 5 years from the~~  
19 ~~date of the last payment made on a contract or subcontract~~  
20 ~~for construction of facilities for a project pursuant to~~  
21 ~~an agreement, records of 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;~~

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

1 ~~subcontractor which avers that:~~

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

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

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

12 ~~(b) In order to receive credit for construction expenses,~~  
13 ~~the company must provide the Department with evidence that a~~  
14 ~~certified third party executed an Agreed-Upon Procedure (AUP)~~  
15 ~~verifying the construction expenses or accept the standard~~  
16 ~~construction wage expense estimated by the Department. Any~~  
17 ~~contractor or subcontractor subject to this Section, and any~~  
18 ~~officer, employee, or agent of such contractor or~~  
19 ~~subcontractor whose duty as an officer, employee, or agent it~~  
20 ~~is to file a certified payroll under this Section, who~~  
21 ~~willfully fails to file such a certified payroll, on or before~~  
22 ~~the date such certified payroll is required to be filed and any~~  
23 ~~person who willfully files a false certified payroll as to any~~  
24 ~~material fact is in violation of this Act and guilty of a Class~~  
25 ~~A misdemeanor and may be enforced by the Illinois Department~~  
26 ~~of Labor or the Department. The Attorney General shall~~

1 ~~represented the Illinois Department of Labor or the Department~~  
2 ~~in the proceeding.~~

3       (c) Upon review of the final project scope, timeline,  
4 budget, and AUP, the Department shall issue a tax credit  
5 certificate reflecting a percentage of the total construction  
6 job wages paid throughout the completion of the project. ~~The~~  
7 ~~taxpayer in charge of the project shall keep the records~~  
8 ~~submitted in accordance with this Section for a period of 5~~  
9 ~~years from the date of the last payment for work on a contract~~  
10 ~~or subcontract for the project.~~

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

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



1 location within this State during reasonable hours, the report  
2 described in subsection (a) ~~records identified in paragraph~~  
3 ~~(1) of this subsection to the taxpayer in charge of the~~  
4 ~~Project, its officers and agents, the Director of the~~  
5 ~~Department of Labor and his/her deputies and agents, and to~~  
6 ~~federal, State, or local law enforcement agencies and~~  
7 ~~prosecutors.~~

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

9 (35 ILCS 45/110-95)

10 Sec. 110-95. Utility tax exemptions for MICRO projects.  
11 The Department may certify a taxpayer with a credit for a  
12 project that meets the qualifications under paragraphs (1),  
13 (2), and (4) of subsection (c) of Section 110-20, subject to an  
14 agreement under this Act, for an exemption from the tax  
15 imposed at the project site by Section 2-4 of the Electricity  
16 Excise Tax Law. To receive such certification, the taxpayer  
17 must be registered to self-assess that tax. The taxpayer is  
18 also exempt from any additional charges added to the  
19 taxpayer's utility bills at the project site as a pass-on of  
20 State utility taxes under Section 9-222 of the Public  
21 Utilities Act. The taxpayer must meet any other ~~the~~ criteria  
22 for certification set by the Department.

23 The Department shall determine the period during which the  
24 exemption from the Electricity Excise Tax Law and the charges  
25 imposed under Section 9-222 of the Public Utilities Act are in

1 effect, which shall not exceed 30 ~~40~~ years from the date of the  
2 taxpayer's initial receipt of certification from the  
3 Department under this Section.

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

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

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

1           Section 35. The Use Tax Act is amended by changing Section  
2           12 as follows:

3           (35 ILCS 105/12) (from Ch. 120, par. 439.12)

4           Sec. 12. Applicability of Retailers' Occupation Tax Act  
5           and Uniform Penalty and Interest Act. All of the provisions of  
6           Sections 1d, 1e, 1f, 1i, 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12,  
7           2-29, 2-54, 2a, 2b, 2c, 3, 4 (except that the time limitation  
8           provisions shall run from the date when the tax is due rather  
9           than from the date when gross receipts are received), 5  
10          (except that the time limitation provisions on the issuance of  
11          notices of tax liability shall run from the date when the tax  
12          is due rather than from the date when gross receipts are  
13          received and except that in the case of a failure to file a  
14          return required by this Act, no notice of tax liability shall  
15          be issued on and after each July 1 and January 1 covering tax  
16          due with that return during any month or period more than 6  
17          years before that July 1 or January 1, respectively), 5a, 5b,  
18          5c, 5d, 5e, 5f, 5g, 5h, 5j, 5k, 5l, 5m, 5n, 7, 8, 9, 10, 11 and  
19          12 of the Retailers' Occupation Tax Act and Section 3-7 of the  
20          Uniform Penalty and Interest Act, which are not inconsistent  
21          with this Act, shall apply, as far as practicable, to the  
22          subject matter of this Act to the same extent as if such  
23          provisions were included herein.

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

1 Section 40. The Service Use Tax Act is amended by changing  
2 Section 12 as follows:

3 (35 ILCS 110/12) (from Ch. 120, par. 439.42)

4 Sec. 12. Applicability of Retailers' Occupation Tax Act  
5 and Uniform Penalty and Interest Act. All of the provisions of  
6 Sections 1d, 1e, 1f, 1i, 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12,  
7 2-29, 2-54, 2a, 2b, 2c, 3 (except as to the disposition by the  
8 Department of the money collected under this Act), 4 (except  
9 that the time limitation provisions shall run from the date  
10 when gross receipts are received), 5 (except that the time  
11 limitation provisions on the issuance of notices of tax  
12 liability shall run from the date when the tax is due rather  
13 than from the date when gross receipts are received and except  
14 that in the case of a failure to file a return required by this  
15 Act, no notice of tax liability shall be issued on and after  
16 July 1 and January 1 covering tax due with that return during  
17 any month or period more than 6 years before that July 1 or  
18 January 1, respectively), 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 5k,  
19 5l, 5m, 5n, 6d, 7, 8, 9, 10, 11 and 12 of the Retailers'  
20 Occupation Tax Act which are not inconsistent with this Act,  
21 and Section 3-7 of the Uniform Penalty and Interest Act, shall  
22 apply, as far as practicable, to the subject matter of this Act  
23 to the same extent as if such provisions were included herein.  
24 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23.)

1 Section 45. The Service Occupation Tax Act is amended by  
2 changing Section 12 as follows:

3 (35 ILCS 115/12) (from Ch. 120, par. 439.112)

4 Sec. 12. All of the provisions of Sections 1d, 1e, 1f, 1i,  
5 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12, 2-54, 2a, 2b, 2c, 3  
6 (except as to the disposition by the Department of the tax  
7 collected under this Act), 4 (except that the time limitation  
8 provisions shall run from the date when the tax is due rather  
9 than from the date when gross receipts are received), 5  
10 (except that the time limitation provisions on the issuance of  
11 notices of tax liability shall run from the date when the tax  
12 is due rather than from the date when gross receipts are  
13 received), 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 5k, 5l, 5m, 5n, 6d,  
14 7, 8, 9, 10, 11, and 12 of the "~~Retailers' Occupation Tax Act~~"  
15 which are not inconsistent with this Act, and Section 3-7 of  
16 the Uniform Penalty and Interest Act shall apply, as far as  
17 practicable, to the subject matter of this Act to the same  
18 extent as if such provisions were included herein.

19 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;  
20 revised 9-26-23.)

21 Section 50. The Retailers' Occupation Tax Act is amended  
22 by adding Section 2-29 as follows:

23 (35 ILCS 120/2-29 new)

1       Sec. 2-29. Quantum computing campus building materials  
2 exemption.

3       (a) Each retailer who makes a qualified sale of building  
4 materials to be incorporated into real estate at a quantum  
5 computing campus certified by the Department of Commerce and  
6 Economic Opportunity under Section 605-1115 of the Department  
7 of Commerce and Economic Opportunity Law of the Civil  
8 Administrative Code of Illinois may deduct receipts from those  
9 sales when calculating the tax imposed by this Act. Quantum  
10 Computing Campus Building Materials Exemption Certificates  
11 shall be issued for an initial period not to exceed 20 years  
12 and can be renewed once for a period not to exceed 20 years.

13       (b) No retailer who is eligible for the deduction or  
14 credit for a given sale under Section 5k of this Act related to  
15 enterprise zones, Section 5l of this Act related to High  
16 Impact Businesses, Section 5m of this Act related to REV  
17 Illinois projects, or Section 5n of this Act related to MICRO  
18 facilities shall be eligible for the deduction or credit  
19 authorized under this Section for that same sale.

20       (c) A construction contractor or other entity shall not  
21 make tax-free purchases unless it has an active Exemption  
22 Certificate issued by the Department at the time of the  
23 purchase.

24       (d) A taxpayer that is certified by the Department of  
25 Commerce and Economic Opportunity under Section 605-1115 of  
26 the Department of Commerce and Economic Opportunity Law of the

1 Civil Administrative Code of Illinois shall submit a request  
2 to the Department for an initial or renewal Quantum Computing  
3 Campus Materials Exemption Certificate. Upon request from the  
4 certified taxpayer, the Department shall issue a Quantum  
5 Computing Campus Building Materials Exemption Certificate for  
6 each construction contractor or other entity identified by the  
7 certified taxpayer. The Department shall make the Quantum  
8 Computing Campus Building Materials Exemption Certificates  
9 available to each construction contractor or other entity  
10 identified by the certified taxpayer and to the certified  
11 taxpayer. The request for Quantum Computing Campus Building  
12 Materials Exemption Certificates under this Section must  
13 include the following information:

14 (1) the name and address of the construction  
15 contractor or other entity;

16 (2) the name and location or address of the building  
17 project site;

18 (3) the estimated amount of the exemption for each  
19 construction contractor or other entity for which a  
20 request for a Quantum Computing Campus Building Materials  
21 Exemption Certificate is made, based on a stated estimated  
22 average tax rate and the percentage of the contract that  
23 consists of materials;

24 (4) the period of time over which supplies for the  
25 project are expected to be purchased; and

26 (5) other reasonable information as the Department may

1 require, including, but not limited to, FEIN numbers, to  
2 determine if the contractor or other entity, or any  
3 partner, or a corporate officer, and in the case of a  
4 limited liability company, any manager or member, of the  
5 construction contractor or other entity, is or has been  
6 the owner, a partner, a corporate officer, and, in the  
7 case of a limited liability company, a manager or member,  
8 of a person that is in default for moneys due to the  
9 Department under this Act or any other tax or fee Act  
10 administered by the Department.

11 The Department, in its discretion, may require that the  
12 request for Quantum Computing Campus Building Materials  
13 Exemption Certificates be submitted electronically. The  
14 Department may, in its discretion, issue the Exemption  
15 Certificates electronically.

16 (e) To document the exemption allowed under this Section,  
17 the retailer must obtain from the purchaser the certification  
18 required under this Section, which must contain the Quantum  
19 Computing Campus Building Materials Exemption Certificate  
20 number issued to the purchaser by the Department. In addition,  
21 the retailer must obtain certification from the purchaser that  
22 contains:

23 (1) a statement that the building materials are being  
24 purchased for incorporation into real estate located in a  
25 quantum computing campus;

26 (2) the location or address of the real estate into



1 which the building materials will be incorporated;

2 (3) the name of the quantum computing campus in which  
3 that real estate is located;

4 (4) a description of the building materials being  
5 purchased;

6 (5) the purchaser's Quantum Computing Campus Building  
7 Materials Exemption Certificate number issued by the  
8 Department; and

9 (6) the purchaser's signature and date of purchase.

10 (f) The Department shall issue the Quantum Computing  
11 Campus Building Materials Exemption Certificates within 3  
12 business days after receipt of the request from the certified  
13 taxpayer. This requirement does not apply in circumstances  
14 where the Department, for reasonable cause, is unable to issue  
15 the Exemption Certificate within 3 business days. The  
16 Department may refuse to issue a Quantum Computing Campus  
17 Building Materials Exemption Certificate if the owner, any  
18 partner, or a corporate officer, and in the case of a limited  
19 liability company, any manager or member, of the construction  
20 contractor or other entity is or has been the owner, a partner,  
21 a corporate officer, and, in the case of a limited liability  
22 company, a manager or member, of a person that is in default  
23 for moneys due to the Department under this Act or any other  
24 tax or fee Act administered by the Department.

25 (g) The Quantum Computing Campus Building Materials  
26 Exemption Certificate shall contain:

1           (1) a unique identifying number that shall be designed  
2           in such a way that the Department can identify from the  
3           unique number on the Exemption Certificate issued to a  
4           given construction contractor or other entity, the name of  
5           the quantum computing campus and the construction  
6           contractor or other entity to whom the Exemption  
7           Certificate is issued;

8           (2) the name of the construction contractor or entity  
9           to whom the Exemption Certificate is issued;

10           (3) issuance, effective, and expiration dates; and

11           (4) language stating that if the construction  
12           contractor or other entity who is issued the Exemption  
13           Certificate makes a tax-exempt purchase, as described in  
14           this Section, that is not eligible for exemption under  
15           this Section or allows another person to make a tax-exempt  
16           purchase, as described in this Section, that is not  
17           eligible for exemption under this Section, then, in  
18           addition to any tax or other penalty imposed, the  
19           construction contractor or other entity is subject to a  
20           penalty equal to the tax that would have been paid by the  
21           retailer under this Act as well as any applicable local  
22           retailers' occupation tax on the purchase that is not  
23           eligible for the exemption.

24           (h) After the Department issues Exemption Certificates for  
25           a given quantum computing campus, the certified taxpayer may  
26           notify the Department of additional construction contractors

1 or other entities that are eligible for a Quantum Computing  
2 Campus Building Materials Exemption Certificate. Upon  
3 receiving such a notification and subject to the other  
4 provisions of this Section, the Department shall issue a  
5 Quantum Computing Campus Building Materials Exemption  
6 Certificate to each additional construction contractor or  
7 other entity so identified.

8 (i) A certified taxpayer may ask the Department to rescind  
9 a Quantum Computing Campus Building Materials Exemption  
10 Certificate previously issued by the Department to a  
11 construction contractor or other entity working at that  
12 certified quantum computing campus if that Quantum Computing  
13 Campus Building Materials Exemption Certificate has not yet  
14 expired. Upon receiving such a request and subject to the  
15 other provisions of this Section, the Department shall issue  
16 the rescission of the Quantum Computing Campus Building  
17 Materials Exemption Certificate to the construction contractor  
18 or other entity identified by the certified taxpayer and  
19 provide a copy of the rescission to the construction  
20 contractor or other entity and to the certified taxpayer.

21 (j) If the Department of Revenue determines that a  
22 construction contractor or other entity that was issued an  
23 Exemption Certificate under this Section made a tax-exempt  
24 purchase, as described in this Section, that was not eligible  
25 for exemption under this Section or allowed another person to  
26 make a tax-exempt purchase, as described in this Section, that

1 was not eligible for exemption under this Section, then, in  
2 addition to any tax or other penalty imposed, the construction  
3 contractor or other entity is subject to a penalty equal to the  
4 tax that would have been paid by the retailer under this Act as  
5 well as any applicable local retailers' occupation tax on the  
6 purchase that was not eligible for the exemption.

7 (k) Each contractor or other entity that has been issued a  
8 Quantum Computing Campus Building Materials Exemption  
9 Certificate under this Section shall annually report to the  
10 Department the total value of the quantum computing campus  
11 building materials exemption from State taxes. Reports shall  
12 contain information reasonably required by the Department to  
13 enable it to verify and calculate the total tax benefits for  
14 taxes imposed by the State and shall be broken down by quantum  
15 computing campus site. Reports are due no later than May 31 of  
16 each year and shall cover the previous calendar year. Failure  
17 to report data may result in revocation of the Quantum  
18 Computing Campus Building Materials Exemption Certificate  
19 issued to the contractor or other entity. The Department is  
20 authorized to adopt rules governing revocation determinations,  
21 including the length of revocation. Factors to be considered  
22 in revocations shall include, but are not limited to, prior  
23 compliance with the reporting requirements, cooperation in  
24 discontinuing and correcting violations, and whether the  
25 certificate was used unlawfully during the preceding year. The  
26 Department, in its discretion, may require that the reports

1 filed under this Section be submitted electronically.

2 (l) As used in this Section:

3 "Certified taxpayer" means a person certified by the  
4 Department of Commerce and Economic Opportunity under Section  
5 605-1115 of the Department of Commerce and Economic  
6 Opportunity Law of the Civil Administrative Code of Illinois.

7 "Qualified sale" means a sale of building materials that  
8 will be incorporated into real estate as part of a building  
9 project for which a Quantum Computing Campus Building  
10 Materials Exemption Certificate has been issued to the  
11 purchaser by the Department.

12 (m) The Department shall have the authority to adopt rules  
13 as are reasonable and necessary to implement the provisions of  
14 this Section.

15 (n) This Section is exempt from the provisions of Section  
16 2-70.

17 (o) This exemption also applies to the Use Tax Act, the  
18 Service Use Tax Act, and the Service Occupation Tax Act and is  
19 incorporated by reference in Section 12 of each of those  
20 respective Acts.

21 Section 53. The Gas Use Tax Law is amended by changing  
22 Section 5-10 as follows:

23 (35 ILCS 173/5-10)

24 Sec. 5-10. Imposition of tax. Beginning October 1, 2003, a

1 tax is imposed upon the privilege of using in this State gas  
2 obtained in a purchase of out-of-state gas at the rate of 2.4  
3 cents per therm or 5% of the purchase price for the billing  
4 period, whichever is the lower rate. Such tax rate shall be  
5 referred to as the "self-assessing purchaser tax rate".  
6 Beginning with bills issued by delivering suppliers on and  
7 after October 1, 2003, purchasers may elect an alternative tax  
8 rate of 2.4 cents per therm to be paid under the provisions of  
9 Section 5-15 of this Law to a delivering supplier maintaining  
10 a place of business in this State. Such tax rate shall be  
11 referred to as the "alternate tax rate". The tax imposed under  
12 this Section shall not apply to gas used by business  
13 enterprises certified under Section 9-222.1 of the Public  
14 Utilities Act or Section 605-1115 of the Department of  
15 Commerce and Economic Opportunity Law of the Civil  
16 Administrative Code of Illinois, as amended, to the extent of  
17 such exemption and during the period of time specified by the  
18 Department of Commerce and Economic Opportunity.

19 (Source: P.A. 93-31, eff. 10-1-03; 94-793, eff. 5-19-06.)

20 Section 55. The Property Tax Code is amended by changing  
21 Sections 18-184.15 and 18-184.20 as follows:

22 (35 ILCS 200/18-184.15)

23 Sec. 18-184.15. REV Illinois project facilities for  
24 electric vehicles, electric vehicle component parts, or

1 electric vehicle power supply equipment; abatement.

2 (a) Any taxing district, upon a majority vote of its  
3 governing body, may, after determination of the assessed value  
4 as set forth in this Code, order the clerk of the appropriate  
5 municipality or county to abate, for a period not to exceed 30  
6 consecutive years, any portion of real property taxes  
7 otherwise levied or extended by the taxing district on a REV  
8 Illinois Project facility ~~owned by an electric vehicle~~  
9 ~~manufacturer, electric vehicle component parts manufacturer,~~  
10 ~~or an electric vehicle power supply manufacturer~~ that is  
11 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, during the period of time  
14 such agreement is in effect as specified by the Department of  
15 Commerce and Economic Opportunity.

16 (b) Two or more taxing districts, upon a majority vote of  
17 each of their respective governing bodies, may agree to abate,  
18 for a period not to exceed 30 consecutive tax years, a portion  
19 of the real property taxes otherwise levied or extended by  
20 those taxing districts on a REV Illinois Project facility that  
21 is subject to an agreement with the Department of Commerce and  
22 Economic Opportunity under Section 45 of the Reimagining  
23 Energy and Vehicles in Illinois Act. The agreement entered  
24 into by the taxing districts under this subsection (b) shall  
25 be filed with the county clerk who shall, for the period the  
26 agreement remains in effect, abate the portion of the real

1 estate taxes levied or extended by those taxing districts as  
2 directed in the agreement. Any such agreement entered into by  
3 2 or more taxing districts before the effective date of this  
4 amendatory Act of the 103rd General Assembly that is not  
5 inconsistent with the provisions of this subsection (b) is  
6 hereby declared valid and enforceable for the effective period  
7 of that agreement.

8 (Source: P.A. 102-669, eff. 11-16-21; 102-1125, eff. 2-3-23.)

9 (35 ILCS 200/18-184.20)

10 Sec. 18-184.20. MICRO Illinois project facilities. Any  
11 taxing district, upon a majority vote of its governing body,  
12 may, after determination of the assessed value as set forth in  
13 this Code, order the clerk of the appropriate municipality or  
14 county to abate, for a period not to exceed 30 consecutive  
15 years, any portion of real property taxes otherwise levied or  
16 extended by the taxing district on a MICRO Illinois Project  
17 facility ~~owned by a semiconductor manufacturer or microchip~~  
18 ~~manufacturer or a semiconductor or microchip component parts~~  
19 ~~manufacturer~~ that is subject to an agreement with the  
20 Department of Commerce and Economic Opportunity under the  
21 Manufacturing Illinois Chips for Real Opportunity (MICRO) Act,  
22 during the period of time such agreement is in effect as  
23 specified by the Department of Commerce and Economic  
24 Opportunity.

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



1           Section 60. The Telecommunications Excise Tax Act is  
2 amended by changing Section 2 as follows:

3           (35 ILCS 630/2) (from Ch. 120, par. 2002)

4           Sec. 2. As used in this Article, unless the context  
5 clearly requires otherwise:

6           (a) "Gross charge" means the amount paid for the act or  
7 privilege of originating or receiving telecommunications in  
8 this State and for all services and equipment provided in  
9 connection therewith by a retailer, valued in money whether  
10 paid in money or otherwise, including cash, credits, services  
11 and property of every kind or nature, and shall be determined  
12 without any deduction on account of the cost of such  
13 telecommunications, the cost of materials used, labor or  
14 service costs or any other expense whatsoever. In case credit  
15 is extended, the amount thereof shall be included only as and  
16 when paid. "Gross charges" for private line service shall  
17 include charges imposed at each channel termination point  
18 within this State, charges for the channel mileage between  
19 each channel termination point within this State, and charges  
20 for that portion of the interstate inter-office channel  
21 provided within Illinois. Charges for that portion of the  
22 interstate inter-office channel provided in Illinois shall be  
23 determined by the retailer as follows: (i) for interstate  
24 inter-office channels having 2 channel termination points,

1 only one of which is in Illinois, 50% of the total charge  
2 imposed; or (ii) for interstate inter-office channels having  
3 more than 2 channel termination points, one or more of which  
4 are in Illinois, an amount equal to the total charge  
5 multiplied by a fraction, the numerator of which is the number  
6 of channel termination points within Illinois and the  
7 denominator of which is the total number of channel  
8 termination points. Prior to January 1, 2004, any method  
9 consistent with this paragraph or other method that reasonably  
10 apportions the total charges for interstate inter-office  
11 channels among the states in which channel terminations points  
12 are located shall be accepted as a reasonable method to  
13 determine the charges for that portion of the interstate  
14 inter-office channel provided within Illinois for that period.  
15 However, "gross charges" shall not include any of the  
16 following:

17 (1) Any amounts added to a purchaser's bill because of  
18 a charge made pursuant to (i) the tax imposed by this  
19 Article; (ii) charges added to customers' bills pursuant  
20 to the provisions of Sections 9-221 or 9-222 of the Public  
21 Utilities Act, as amended, or any similar charges added to  
22 customers' bills by retailers who are not subject to rate  
23 regulation by the Illinois Commerce Commission for the  
24 purpose of recovering any of the tax liabilities or other  
25 amounts specified in such provisions of such Act; (iii)  
26 the tax imposed by Section 4251 of the Internal Revenue

1 Code; (iv) 911 surcharges; or (v) the tax imposed by the  
2 Simplified Municipal Telecommunications Tax Act.

3 (2) Charges for a sent collect telecommunication  
4 received outside of the State.

5 (3) Charges for leased time on equipment or charges  
6 for the storage of data or information for subsequent  
7 retrieval or the processing of data or information  
8 intended to change its form or content. Such equipment  
9 includes, but is not limited to, the use of calculators,  
10 computers, data processing equipment, tabulating equipment  
11 or accounting equipment and also includes the usage of  
12 computers under a time-sharing agreement.

13 (4) Charges for customer equipment, including such  
14 equipment that is leased or rented by the customer from  
15 any source, wherein such charges are disaggregated and  
16 separately identified from other charges.

17 (5) Charges to business enterprises certified under  
18 Section 9-222.1 of the Public Utilities Act, as amended,  
19 or under Section 95 of the Reimagining Energy and Vehicles  
20 in Illinois Act, to the extent of such exemption and  
21 during the period of time specified by the Department of  
22 Commerce and Economic Opportunity.

23 (5.1) Charges to business enterprises certified under  
24 the Manufacturing Illinois Chips for Real Opportunity  
25 (MICRO) Act, to the extent of the exemption and during the  
26 period of time specified by the Department of Commerce and

1 Economic Opportunity.

2 (5.2) Charges to entities certified under Section  
3 605-1115 of the Department of Commerce and Economic  
4 Opportunity Law of the Civil Administrative Code of  
5 Illinois to the extent of the exemption and during the  
6 period of time specified by the Department of Commerce and  
7 Economic Opportunity.

8 (6) Charges for telecommunications and all services  
9 and equipment provided in connection therewith between a  
10 parent corporation and its wholly owned subsidiaries or  
11 between wholly owned subsidiaries when the tax imposed  
12 under this Article has already been paid to a retailer and  
13 only to the extent that the charges between the parent  
14 corporation and wholly owned subsidiaries or between  
15 wholly owned subsidiaries represent expense allocation  
16 between the corporations and not the generation of profit  
17 for the corporation rendering such service.

18 (7) Bad debts. Bad debt means any portion of a debt  
19 that is related to a sale at retail for which gross charges  
20 are not otherwise deductible or excludable that has become  
21 worthless or uncollectable, as determined under applicable  
22 federal income tax standards. If the portion of the debt  
23 deemed to be bad is subsequently paid, the retailer shall  
24 report and pay the tax on that portion during the  
25 reporting period in which the payment is made.

26 (8) Charges paid by inserting coins in coin-operated

1 telecommunication devices.

2 (9) Amounts paid by telecommunications retailers under  
3 the Telecommunications Municipal Infrastructure  
4 Maintenance Fee Act.

5 (10) Charges for nontaxable services or  
6 telecommunications if (i) those charges are aggregated  
7 with other charges for telecommunications that are  
8 taxable, (ii) those charges are not separately stated on  
9 the customer bill or invoice, and (iii) the retailer can  
10 reasonably identify the nontaxable charges on the  
11 retailer's books and records kept in the regular course of  
12 business. If the nontaxable charges cannot reasonably be  
13 identified, the gross charge from the sale of both taxable  
14 and nontaxable services or telecommunications billed on a  
15 combined basis shall be attributed to the taxable services  
16 or telecommunications. The burden of proving nontaxable  
17 charges shall be on the retailer of the  
18 telecommunications.

19 (b) "Amount paid" means the amount charged to the  
20 taxpayer's service address in this State regardless of where  
21 such amount is billed or paid.

22 (c) "Telecommunications", in addition to the meaning  
23 ordinarily and popularly ascribed to it, includes, without  
24 limitation, messages or information transmitted through use of  
25 local, toll and wide area telephone service; private line  
26 services; channel services; telegraph services;

1 teletypewriter; computer exchange services; cellular mobile  
2 telecommunications service; specialized mobile radio;  
3 stationary two way radio; paging service; or any other form of  
4 mobile and portable one-way or two-way communications; or any  
5 other transmission of messages or information by electronic or  
6 similar means, between or among points by wire, cable,  
7 fiber-optics, laser, microwave, radio, satellite or similar  
8 facilities. As used in this Act, "private line" means a  
9 dedicated non-traffic sensitive service for a single customer,  
10 that entitles the customer to exclusive or priority use of a  
11 communications channel or group of channels, from one or more  
12 specified locations to one or more other specified locations.  
13 The definition of "telecommunications" shall not include value  
14 added services in which computer processing applications are  
15 used to act on the form, content, code and protocol of the  
16 information for purposes other than transmission.  
17 "Telecommunications" shall not include purchases of  
18 telecommunications by a telecommunications service provider  
19 for use as a component part of the service provided by him to  
20 the ultimate retail consumer who originates or terminates the  
21 taxable end-to-end communications. Carrier access charges,  
22 right of access charges, charges for use of inter-company  
23 facilities, and all telecommunications resold in the  
24 subsequent provision of, used as a component of, or integrated  
25 into end-to-end telecommunications service shall be  
26 non-taxable as sales for resale.

1           (d)       "Interstate telecommunications" means all  
2 telecommunications that either originate or terminate outside  
3 this State.

4           (e)       "Intrastate telecommunications" means all  
5 telecommunications that originate and terminate within this  
6 State.

7           (f)       "Department" means the Department of Revenue of the  
8 State of Illinois.

9           (g)       "Director" means the Director of Revenue for the  
10 Department of Revenue of the State of Illinois.

11           (h)       "Taxpayer" means a person who individually or through  
12 his agents, employees or permittees engages in the act or  
13 privilege of originating or receiving telecommunications in  
14 this State and who incurs a tax liability under this Article.

15           (i)       "Person" means any natural individual, firm, trust,  
16 estate, partnership, association, joint stock company, joint  
17 venture, corporation, limited liability company, or a  
18 receiver, trustee, guardian or other representative appointed  
19 by order of any court, the Federal and State governments,  
20 including State universities created by statute or any city,  
21 town, county or other political subdivision of this State.

22           (j)       "Purchase at retail" means the acquisition,  
23 consumption or use of telecommunication through a sale at  
24 retail.

25           (k)       "Sale at retail" means the transmitting, supplying or  
26 furnishing of telecommunications and all services and

1 equipment provided in connection therewith for a consideration  
2 to persons other than the Federal and State governments, and  
3 State universities created by statute and other than between a  
4 parent corporation and its wholly owned subsidiaries or  
5 between wholly owned subsidiaries for their use or consumption  
6 and not for resale.

7 (l) "Retailer" means and includes every person engaged in  
8 the business of making sales at retail as defined in this  
9 Article. The Department may, in its discretion, upon  
10 application, authorize the collection of the tax hereby  
11 imposed by any retailer not maintaining a place of business  
12 within this State, who, to the satisfaction of the Department,  
13 furnishes adequate security to insure collection and payment  
14 of the tax. Such retailer shall be issued, without charge, a  
15 permit to collect such tax. When so authorized, it shall be the  
16 duty of such retailer to collect the tax upon all of the gross  
17 charges for telecommunications in this State in the same  
18 manner and subject to the same requirements as a retailer  
19 maintaining a place of business within this State. The permit  
20 may be revoked by the Department at its discretion.

21 (m) "Retailer maintaining a place of business in this  
22 State", or any like term, means and includes any retailer  
23 having or maintaining within this State, directly or by a  
24 subsidiary, an office, distribution facilities, transmission  
25 facilities, sales office, warehouse or other place of  
26 business, or any agent or other representative operating



1 within this State under the authority of the retailer or its  
2 subsidiary, irrespective of whether such place of business or  
3 agent or other representative is located here permanently or  
4 temporarily, or whether such retailer or subsidiary is  
5 licensed to do business in this State.

6 (n) "Service address" means the location of  
7 telecommunications equipment from which the telecommunications  
8 services are originated or at which telecommunications  
9 services are received by a taxpayer. In the event this may not  
10 be a defined location, as in the case of mobile phones, paging  
11 systems, maritime systems, service address means the  
12 customer's place of primary use as defined in the Mobile  
13 Telecommunications Sourcing Conformity Act. For air-to-ground  
14 systems and the like, service address shall mean the location  
15 of a taxpayer's primary use of the telecommunications  
16 equipment as defined by telephone number, authorization code,  
17 or location in Illinois where bills are sent.

18 (o) "Prepaid telephone calling arrangements" mean the  
19 right to exclusively purchase telephone or telecommunications  
20 services that must be paid for in advance and enable the  
21 origination of one or more intrastate, interstate, or  
22 international telephone calls or other telecommunications  
23 using an access number, an authorization code, or both,  
24 whether manually or electronically dialed, for which payment  
25 to a retailer must be made in advance, provided that, unless  
26 recharged, no further service is provided once that prepaid

1 amount of service has been consumed. Prepaid telephone calling  
2 arrangements include the recharge of a prepaid calling  
3 arrangement. For purposes of this subsection, "recharge" means  
4 the purchase of additional prepaid telephone or  
5 telecommunications services whether or not the purchaser  
6 acquires a different access number or authorization code.  
7 "Prepaid telephone calling arrangement" does not include an  
8 arrangement whereby a customer purchases a payment card and  
9 pursuant to which the service provider reflects the amount of  
10 such purchase as a credit on an invoice issued to that customer  
11 under an existing subscription plan.

12 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;  
13 102-1125, eff. 2-3-23.)

14 Section 65. The Telecommunications Infrastructure  
15 Maintenance Fee Act is amended by changing Section 10 as  
16 follows:

17 (35 ILCS 635/10)

18 Sec. 10. Definitions.

19 (a) "Gross charges" means the amount paid to a  
20 telecommunications retailer for the act or privilege of  
21 originating or receiving telecommunications in this State and  
22 for all services rendered in connection therewith, valued in  
23 money whether paid in money or otherwise, including cash,  
24 credits, services, and property of every kind or nature, and

1 shall be determined without any deduction on account of the  
2 cost of such telecommunications, the cost of the materials  
3 used, labor or service costs, or any other expense whatsoever.  
4 In case credit is extended, the amount thereof shall be  
5 included only as and when paid. "Gross charges" for private  
6 line service shall include charges imposed at each channel  
7 termination point within this State, charges for the channel  
8 mileage between each channel termination point within this  
9 State, and charges for that portion of the interstate  
10 inter-office channel provided within Illinois. Charges for  
11 that portion of the interstate inter-office channel provided  
12 in Illinois shall be determined by the retailer as follows:  
13 (i) for interstate inter-office channels having 2 channel  
14 termination points, only one of which is in Illinois, 50% of  
15 the total charge imposed; or (ii) for interstate inter-office  
16 channels having more than 2 channel termination points, one or  
17 more of which are in Illinois, an amount equal to the total  
18 charge multiplied by a fraction, the numerator of which is the  
19 number of channel termination points within Illinois and the  
20 denominator of which is the total number of channel  
21 termination points. Prior to January 1, 2004, any method  
22 consistent with this paragraph or other method that reasonably  
23 apportions the total charges for interstate inter-office  
24 channels among the states in which channel terminations points  
25 are located shall be accepted as a reasonable method to  
26 determine the charges for that portion of the interstate

1 inter-office channel provided within Illinois for that period.  
2 However, "gross charges" shall not include any of the  
3 following:

4 (1) Any amounts added to a purchaser's bill because of  
5 a charge made under: (i) the fee imposed by this Section,  
6 (ii) additional charges added to a purchaser's bill under  
7 Section 9-221 or 9-222 of the Public Utilities Act, (iii)  
8 the tax imposed by the Telecommunications Excise Tax Act,  
9 (iv) 911 surcharges, (v) the tax imposed by Section 4251  
10 of the Internal Revenue Code, or (vi) the tax imposed by  
11 the Simplified Municipal Telecommunications Tax Act.

12 (2) Charges for a sent collect telecommunication  
13 received outside of this State.

14 (3) Charges for leased time on equipment or charges  
15 for the storage of data or information or subsequent  
16 retrieval or the processing of data or information  
17 intended to change its form or content. Such equipment  
18 includes, but is not limited to, the use of calculators,  
19 computers, data processing equipment, tabulating  
20 equipment, or accounting equipment and also includes the  
21 usage of computers under a time-sharing agreement.

22 (4) Charges for customer equipment, including such  
23 equipment that is leased or rented by the customer from  
24 any source, wherein such charges are disaggregated and  
25 separately identified from other charges.

26 (5) Charges to business enterprises certified under

1 Section 9-222.1 of the Public Utilities Act to the extent  
2 of such exemption and during the period of time specified  
3 by the Department of Commerce and Economic Opportunity.

4 (5.1) Charges to business enterprises certified under  
5 Section 95 of the Reimagining Energy and Vehicles in  
6 Illinois Act, to the extent of the exemption and during  
7 the period of time specified by the Department of Commerce  
8 and Economic Opportunity.

9 (5.2) Charges to business enterprises certified under  
10 Section 110-95 of the Manufacturing Illinois Chips for  
11 Real Opportunity (MICRO) Act, to the extent of the  
12 exemption and during the period of time specified by the  
13 Department of Commerce and Economic Opportunity.

14 (5.3) Charges to entities certified under Section  
15 605-1115 of the Department of Commerce and Economic  
16 Opportunity Law of the Civil Administrative Code of  
17 Illinois to the extent of the exemption and during the  
18 period of time specified by the Department of Commerce and  
19 Economic Opportunity.

20 (6) Charges for telecommunications and all services  
21 and equipment provided in connection therewith between a  
22 parent corporation and its wholly owned subsidiaries or  
23 between wholly owned subsidiaries, and only to the extent  
24 that the charges between the parent corporation and wholly  
25 owned subsidiaries or between wholly owned subsidiaries  
26 represent expense allocation between the corporations and

1 not the generation of profit other than a regulatory  
2 required profit for the corporation rendering such  
3 services.

4 (7) Bad debts ("bad debt" means any portion of a debt  
5 that is related to a sale at retail for which gross charges  
6 are not otherwise deductible or excludable that has become  
7 worthless or uncollectible, as determined under applicable  
8 federal income tax standards; if the portion of the debt  
9 deemed to be bad is subsequently paid, the retailer shall  
10 report and pay the tax on that portion during the  
11 reporting period in which the payment is made).

12 (8) Charges paid by inserting coins in coin-operated  
13 telecommunication devices.

14 (9) Charges for nontaxable services or  
15 telecommunications if (i) those charges are aggregated  
16 with other charges for telecommunications that are  
17 taxable, (ii) those charges are not separately stated on  
18 the customer bill or invoice, and (iii) the retailer can  
19 reasonably identify the nontaxable charges on the  
20 retailer's books and records kept in the regular course of  
21 business. If the nontaxable charges cannot reasonably be  
22 identified, the gross charge from the sale of both taxable  
23 and nontaxable services or telecommunications billed on a  
24 combined basis shall be attributed to the taxable services  
25 or telecommunications. The burden of proving nontaxable  
26 charges shall be on the retailer of the

1 telecommunications.

2 (a-5) "Department" means the Illinois Department of  
3 Revenue.

4 (b) "Telecommunications" includes, but is not limited to,  
5 messages or information transmitted through use of local,  
6 toll, and wide area telephone service, channel services,  
7 telegraph services, teletypewriter service, computer exchange  
8 services, private line services, specialized mobile radio  
9 services, or any other transmission of messages or information  
10 by electronic or similar means, between or among points by  
11 wire, cable, fiber optics, laser, microwave, radio, satellite,  
12 or similar facilities. Unless the context clearly requires  
13 otherwise, "telecommunications" shall also include wireless  
14 telecommunications as hereinafter defined.  
15 "Telecommunications" shall not include value added services in  
16 which computer processing applications are used to act on the  
17 form, content, code, and protocol of the information for  
18 purposes other than transmission. "Telecommunications" shall  
19 not include purchase of telecommunications by a  
20 telecommunications service provider for use as a component  
21 part of the service provided by him or her to the ultimate  
22 retail consumer who originates or terminates the end-to-end  
23 communications. Retailer access charges, right of access  
24 charges, charges for use of intercompany facilities, and all  
25 telecommunications resold in the subsequent provision and used  
26 as a component of, or integrated into, end-to-end

1 telecommunications service shall not be included in gross  
2 charges as sales for resale. "Telecommunications" shall not  
3 include the provision of cable services through a cable system  
4 as defined in the Cable Communications Act of 1984 (47 U.S.C.  
5 Sections 521 and following) as now or hereafter amended or  
6 through an open video system as defined in the Rules of the  
7 Federal Communications Commission (47 C.D.F. 76.1550 and  
8 following) as now or hereafter amended. Beginning January 1,  
9 2001, prepaid telephone calling arrangements shall not be  
10 considered "telecommunications" subject to the tax imposed  
11 under this Act. For purposes of this Section, "prepaid  
12 telephone calling arrangements" means that term as defined in  
13 Section 2-27 of the Retailers' Occupation Tax Act.

14 (c) "Wireless telecommunications" includes cellular mobile  
15 telephone services, personal wireless services as defined in  
16 Section 704(C) of the Telecommunications Act of 1996 (Public  
17 Law No. 104-104) as now or hereafter amended, including all  
18 commercial mobile radio services, and paging services.

19 (d) "Telecommunications retailer" or "retailer" or  
20 "carrier" means and includes every person engaged in the  
21 business of making sales of telecommunications at retail as  
22 defined in this Section. The Department may, in its  
23 discretion, upon applications, authorize the collection of the  
24 fee hereby imposed by any retailer not maintaining a place of  
25 business within this State, who, to the satisfaction of the  
26 Department, furnishes adequate security to insure collection



1 and payment of the fee. When so authorized, it shall be the  
2 duty of such retailer to pay the fee upon all of the gross  
3 charges for telecommunications in the same manner and subject  
4 to the same requirements as a retailer maintaining a place of  
5 business within this State.

6 (e) "Retailer maintaining a place of business in this  
7 State", or any like term, means and includes any retailer  
8 having or maintaining within this State, directly or by a  
9 subsidiary, an office, distribution facilities, transmission  
10 facilities, sales office, warehouse, or other place of  
11 business, or any agent or other representative operating  
12 within this State under the authority of the retailer or its  
13 subsidiary, irrespective of whether such place of business or  
14 agent or other representative is located here permanently or  
15 temporarily, or whether such retailer or subsidiary is  
16 licensed to do business in this State.

17 (f) "Sale of telecommunications at retail" means the  
18 transmitting, supplying, or furnishing of telecommunications  
19 and all services rendered in connection therewith for a  
20 consideration, other than between a parent corporation and its  
21 wholly owned subsidiaries or between wholly owned  
22 subsidiaries, when the gross charge made by one such  
23 corporation to another such corporation is not greater than  
24 the gross charge paid to the retailer for their use or  
25 consumption and not for sale.

26 (g) "Service address" means the location of

1 telecommunications equipment from which telecommunications  
2 services are originated or at which telecommunications  
3 services are received. If this is not a defined location, as in  
4 the case of wireless telecommunications, paging systems,  
5 maritime systems, service address means the customer's place  
6 of primary use as defined in the Mobile Telecommunications  
7 Sourcing Conformity Act. For air-to-ground systems, and the  
8 like, "service address" shall mean the location of the  
9 customer's primary use of the telecommunications equipment as  
10 defined by the location in Illinois where bills are sent.

11 (Source: P.A. 102-1125, eff. 2-3-23.)

12 Section 70. The Simplified Municipal Telecommunications  
13 Tax Act is amended by changing Section 5-7 as follows:

14 (35 ILCS 636/5-7)

15 Sec. 5-7. Definitions. For purposes of the taxes  
16 authorized by this Act:

17 "Amount paid" means the amount charged to the taxpayer's  
18 service address in such municipality regardless of where such  
19 amount is billed or paid.

20 "Department" means the Illinois Department of Revenue.

21 "Gross charge" means the amount paid for the act or  
22 privilege of originating or receiving telecommunications in  
23 such municipality and for all services and equipment provided  
24 in connection therewith by a retailer, valued in money whether

1 paid in money or otherwise, including cash, credits, services  
2 and property of every kind or nature, and shall be determined  
3 without any deduction on account of the cost of such  
4 telecommunications, the cost of the materials used, labor or  
5 service costs or any other expense whatsoever. In case credit  
6 is extended, the amount thereof shall be included only as and  
7 when paid. "Gross charges" for private line service shall  
8 include charges imposed at each channel termination point  
9 within a municipality that has imposed a tax under this  
10 Section and charges for the portion of the inter-office  
11 channels provided within that municipality. Charges for that  
12 portion of the inter-office channel connecting 2 or more  
13 channel termination points, one or more of which is located  
14 within the jurisdictional boundary of such municipality, shall  
15 be determined by the retailer by multiplying an amount equal  
16 to the total charge for the inter-office channel by a  
17 fraction, the numerator of which is the number of channel  
18 termination points that are located within the jurisdictional  
19 boundary of the municipality and the denominator of which is  
20 the total number of channel termination points connected by  
21 the inter-office channel. Prior to January 1, 2004, any method  
22 consistent with this paragraph or other method that reasonably  
23 apportions the total charges for inter-office channels among  
24 the municipalities in which channel termination points are  
25 located shall be accepted as a reasonable method to determine  
26 the taxable portion of an inter-office channel provided within

1 a municipality for that period. However, "gross charge" shall  
2 not include any of the following:

3 (1) Any amounts added to a purchaser's bill because of  
4 a charge made pursuant to: (i) the tax imposed by this Act,  
5 (ii) the tax imposed by the Telecommunications Excise Tax  
6 Act, (iii) the tax imposed by Section 4251 of the Internal  
7 Revenue Code, (iv) 911 surcharges, or (v) charges added to  
8 customers' bills pursuant to the provisions of Section  
9 9-221 or 9-222 of the Public Utilities Act, as amended, or  
10 any similar charges added to customers' bills by retailers  
11 who are not subject to rate regulation by the Illinois  
12 Commerce Commission for the purpose of recovering any of  
13 the tax liabilities or other amounts specified in those  
14 provisions of the Public Utilities Act.

15 (2) Charges for a sent collect telecommunication  
16 received outside of such municipality.

17 (3) Charges for leased time on equipment or charges  
18 for the storage of data or information for subsequent  
19 retrieval or the processing of data or information  
20 intended to change its form or content. Such equipment  
21 includes, but is not limited to, the use of calculators,  
22 computers, data processing equipment, tabulating equipment  
23 or accounting equipment and also includes the usage of  
24 computers under a time-sharing agreement.

25 (4) Charges for customer equipment, including such  
26 equipment that is leased or rented by the customer from

1 any source, wherein such charges are disaggregated and  
2 separately identified from other charges.

3 (5) Charges to business enterprises certified as  
4 exempt under Section 9-222.1 of the Public Utilities Act  
5 to the extent of such exemption and during the period of  
6 time specified by the Department of Commerce and Economic  
7 Opportunity.

8 (5.1) Charges to business enterprises certified under  
9 Section 95 of the Reimagining Energy and Vehicles in  
10 Illinois Act, to the extent of the exemption and during  
11 the period of time specified by the Department of Commerce  
12 and Economic Opportunity.

13 (5.2) Charges to business enterprises certified under  
14 Section 110-95 of the Manufacturing Illinois Chips for  
15 Real Opportunity (MICRO) Act, to the extent of the  
16 exemption and during the period of time specified by the  
17 Department of Commerce and Economic Opportunity.

18 (5.3) 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 Act has already been paid to a retailer and only  
3 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 uncollectible, 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 Infrastructure Maintenance Fee Act.

20 (10) Charges for nontaxable services or  
21 telecommunications if (i) those charges are aggregated  
22 with other charges for telecommunications that are  
23 taxable, (ii) those charges are not separately stated on  
24 the customer bill or invoice, and (iii) the retailer can  
25 reasonably identify the nontaxable charges on the  
26 retailer's books and records kept in the regular course of

1 business. If the nontaxable charges cannot reasonably be  
2 identified, the gross charge from the sale of both taxable  
3 and nontaxable services or telecommunications billed on a  
4 combined basis shall be attributed to the taxable services  
5 or telecommunications. The burden of proving nontaxable  
6 charges shall be on the retailer of the  
7 telecommunications.

8 "Interstate telecommunications" means all  
9 telecommunications that either originate or terminate outside  
10 this State.

11 "Intrastate telecommunications" means all  
12 telecommunications that originate and terminate within this  
13 State.

14 "Person" means any natural individual, firm, trust,  
15 estate, partnership, association, joint stock company, joint  
16 venture, corporation, limited liability company, or a  
17 receiver, trustee, guardian, or other representative appointed  
18 by order of any court, the Federal and State governments,  
19 including State universities created by statute, or any city,  
20 town, county, or other political subdivision of this State.

21 "Purchase at retail" means the acquisition, consumption or  
22 use of telecommunications through a sale at retail.

23 "Retailer" means and includes every person engaged in the  
24 business of making sales at retail as defined in this Section.  
25 The Department may, in its discretion, upon application,  
26 authorize the collection of the tax hereby imposed by any

1 retailer not maintaining a place of business within this  
2 State, who, to the satisfaction of the Department, furnishes  
3 adequate security to insure collection and payment of the tax.  
4 Such retailer shall be issued, without charge, a permit to  
5 collect such tax. When so authorized, it shall be the duty of  
6 such retailer to collect the tax upon all of the gross charges  
7 for telecommunications in this State in the same manner and  
8 subject to the same requirements as a retailer maintaining a  
9 place of business within this State. The permit may be revoked  
10 by the Department at its discretion.

11 "Retailer maintaining a place of business in this State",  
12 or any like term, means and includes any retailer having or  
13 maintaining within this State, directly or by a subsidiary, an  
14 office, distribution facilities, transmission facilities,  
15 sales office, warehouse or other place of business, or any  
16 agent or other representative operating within this State  
17 under the authority of the retailer or its subsidiary,  
18 irrespective of whether such place of business or agent or  
19 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 "Sale at retail" means the transmitting, supplying or  
23 furnishing of telecommunications and all services and  
24 equipment provided in connection therewith for a  
25 consideration, to persons other than the Federal and State  
26 governments, and State universities created by statute and



1 other than between a parent corporation and its wholly owned  
2 subsidiaries or between wholly owned subsidiaries for their  
3 use or consumption and not for resale.

4 "Service address" means the location of telecommunications  
5 equipment from which telecommunications services are  
6 originated or at which telecommunications services are  
7 received by a taxpayer. In the event this may not be a defined  
8 location, as in the case of mobile phones, paging systems, and  
9 maritime systems, service address means the customer's place  
10 of primary use as defined in the Mobile Telecommunications  
11 Sourcing Conformity Act. For air-to-ground systems and the  
12 like, "service address" shall mean the location of a  
13 taxpayer's primary use of the telecommunications equipment as  
14 defined by telephone number, authorization code, or location  
15 in Illinois where bills are sent.

16 "Taxpayer" means a person who individually or through his  
17 or her agents, employees, or permittees engages in the act or  
18 privilege of originating or receiving telecommunications in a  
19 municipality and who incurs a tax liability as authorized by  
20 this Act.

21 "Telecommunications", in addition to the meaning  
22 ordinarily and popularly ascribed to it, includes, without  
23 limitation, messages or information transmitted through use of  
24 local, toll, and wide area telephone service, private line  
25 services, channel services, telegraph services,  
26 teletypewriter, computer exchange services, cellular mobile

1 telecommunications service, specialized mobile radio,  
2 stationary two-way radio, paging service, or any other form of  
3 mobile and portable one-way or two-way communications, or any  
4 other transmission of messages or information by electronic or  
5 similar means, between or among points by wire, cable, fiber  
6 optics, laser, microwave, radio, satellite, or similar  
7 facilities. As used in this Act, "private line" means a  
8 dedicated non-traffic sensitive service for a single customer,  
9 that entitles the customer to exclusive or priority use of a  
10 communications channel or group of channels, from one or more  
11 specified locations to one or more other specified locations.  
12 The definition of "telecommunications" shall not include value  
13 added services in which computer processing applications are  
14 used to act on the form, content, code, and protocol of the  
15 information for purposes other than transmission.  
16 "Telecommunications" shall not include purchases of  
17 telecommunications by a telecommunications service provider  
18 for use as a component part of the service provided by such  
19 provider to the ultimate retail consumer who originates or  
20 terminates the taxable end-to-end communications. Carrier  
21 access charges, right of access charges, charges for use of  
22 inter-company facilities, and all telecommunications resold in  
23 the subsequent provision of, used as a component of, or  
24 integrated into, end-to-end telecommunications service shall  
25 be non-taxable as sales for resale. Prepaid telephone calling  
26 arrangements shall not be considered "telecommunications"

1 subject to the tax imposed under this Act. For purposes of this  
2 Section, "prepaid telephone calling arrangements" means that  
3 term as defined in Section 2-27 of the Retailers' Occupation  
4 Tax Act.

5 (Source: P.A. 102-1125, eff. 2-3-23.)

6 Section 75. The Electricity Excise Tax Law is amended by  
7 changing Section 2-4 as follows:

8 (35 ILCS 640/2-4)

9 Sec. 2-4. Tax imposed.

10 (a) Except as provided in subsection (b), a tax is imposed  
11 on the privilege of using in this State electricity purchased  
12 for use or consumption and not for resale, other than by  
13 municipal corporations owning and operating a local  
14 transportation system for public service, at the following  
15 rates per kilowatt-hour delivered to the purchaser:

16 (i) For the first 2000 kilowatt-hours used or consumed  
17 in a month: 0.330 cents per kilowatt-hour;

18 (ii) For the next 48,000 kilowatt-hours used or  
19 consumed in a month: 0.319 cents per kilowatt-hour;

20 (iii) For the next 50,000 kilowatt-hours used or  
21 consumed in a month: 0.303 cents per kilowatt-hour;

22 (iv) For the next 400,000 kilowatt-hours used or  
23 consumed in a month: 0.297 cents per kilowatt-hour;

24 (v) For the next 500,000 kilowatt-hours used or

1 consumed in a month: 0.286 cents per kilowatt-hour;

2 (vi) For the next 2,000,000 kilowatt-hours used or  
3 consumed in a month: 0.270 cents per kilowatt-hour;

4 (vii) For the next 2,000,000 kilowatt-hours used or  
5 consumed in a month: 0.254 cents per kilowatt-hour;

6 (viii) For the next 5,000,000 kilowatt-hours used or  
7 consumed in a month: 0.233 cents per kilowatt-hour;

8 (ix) For the next 10,000,000 kilowatt-hours used or  
9 consumed in a month: 0.207 cents per kilowatt-hour;

10 (x) For all electricity in excess of 20,000,000  
11 kilowatt-hours used or consumed in a month: 0.202 cents  
12 per kilowatt-hour.

13 Provided, that in lieu of the foregoing rates, the tax is  
14 imposed on a self-assessing purchaser at the rate of 5.1% of  
15 the self-assessing purchaser's purchase price for all  
16 electricity distributed, supplied, furnished, sold,  
17 transmitted and delivered to the self-assessing purchaser in a  
18 month.

19 (b) A tax is imposed on the privilege of using in this  
20 State electricity purchased from a municipal system or  
21 electric cooperative, as defined in Article XVII of the Public  
22 Utilities Act, which has not made an election as permitted by  
23 either Section 17-200 or Section 17-300 of such Act, at the  
24 lesser of 0.32 cents per kilowatt hour of all electricity  
25 distributed, supplied, furnished, sold, transmitted, and  
26 delivered by such municipal system or electric cooperative to

1 the purchaser or 5% of each such purchaser's purchase price  
2 for all electricity distributed, supplied, furnished, sold,  
3 transmitted, and delivered by such municipal system or  
4 electric cooperative to the purchaser, whichever is the lower  
5 rate as applied to each purchaser in each billing period.

6 (c) The tax imposed by this Section 2-4 is not imposed with  
7 respect to any use of electricity by business enterprises  
8 certified under Section 9-222.1 or 9-222.1A of the Public  
9 Utilities Act, as amended, to the extent of such exemption and  
10 during the time specified by the Department of Commerce and  
11 Economic Opportunity; or with respect to any transaction in  
12 interstate commerce, or otherwise, to the extent to which such  
13 transaction may not, under the Constitution and statutes of  
14 the United States, be made the subject of taxation by this  
15 State.

16 (d) The tax imposed by this Section 2-4 is not imposed with  
17 respect to any use of electricity at a REV Illinois Project  
18 site that has received a certification for tax exemption from  
19 the Department of Commerce and Economic Opportunity pursuant  
20 to Section 95 of the Reimagining Energy and Vehicles in  
21 Illinois Act, to the extent of such exemption, which shall be  
22 no more than 10 years.

23 (e) The tax imposed by this Section 2-4 is not imposed with  
24 respect to any use of electricity at a project site that has  
25 received a certification for tax exemption from the Department  
26 of Commerce and Economic Opportunity pursuant to the

1 Manufacturing Illinois Chips for Real Opportunity (MICRO) Act,  
2 to the extent of such exemption, which shall be no more than 10  
3 years.

4 (f) The tax imposed by this Section 2-4 is not imposed with  
5 respect to any use of electricity at a quantum computing  
6 campus that has received a certification for tax exemption  
7 from the Department of Commerce and Economic Opportunity  
8 pursuant to Section 605-1115 of the Department of Commerce and  
9 Economic Opportunity Law of the Civil Administrative Code of  
10 Illinois to the extent of the exemption and during the period  
11 of time specified by the Department of Commerce and Economic  
12 Opportunity.

13 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;  
14 102-1125, eff. 2-3-23.)

15 Section 80. The River Edge Redevelopment Zone Act is  
16 amended by changing Sections 10-4, 10-5.3, 10-10.3, and  
17 10-10.4 as follows:

18 (65 ILCS 115/10-4)

19 Sec. 10-4. Qualifications for River Edge Redevelopment  
20 Zones. An area is qualified to become a zone if it:

21 (1) is a contiguous area adjacent to or surrounding a  
22 river;

23 (2) comprises a minimum of one half square mile and  
24 not more than 12 square miles, exclusive of lakes and

1 waterways;

2 (3) satisfies any additional criteria established by  
3 the Department consistent with the purposes of this Act;

4 (4) is entirely within a single municipality; and

5 (5) has at least 100 acres of environmentally  
6 challenged land within 1500 yards of the riverfront.

7 Any River Edge Redevelopment Zone may have an overlapping  
8 geographic area with an Enterprise Zone. If a taxpayer is  
9 located in an area with an overlapping Enterprise Zone and  
10 River Edge Redevelopment Zone, the taxpayer must elect, in the  
11 form and manner required by the Department, from which program  
12 it would like to request benefits.

13 (Source: P.A. 94-1021, eff. 7-12-06; 94-1022, eff. 7-12-06.)

14 (65 ILCS 115/10-5.3)

15 Sec. 10-5.3. Certification of River Edge Redevelopment  
16 Zones.

17 (a) Approval of designated River Edge Redevelopment Zones  
18 shall be made by the Department by certification of the  
19 designating ordinance. The Department shall promptly issue a  
20 certificate for each zone upon its approval. The certificate  
21 shall be signed by the Director of the Department, shall make  
22 specific reference to the designating ordinance, which shall  
23 be attached thereto, and shall be filed in the office of the  
24 Secretary of State. A certified copy of the River Edge  
25 Redevelopment Zone Certificate, or a duplicate original

1       thereof, shall be recorded in the office of the recorder of  
2       deeds of the county in which the River Edge Redevelopment Zone  
3       lies.

4           (b) A River Edge Redevelopment Zone shall be effective  
5       upon its certification. The Department shall transmit a copy  
6       of the certification to the Department of Revenue, and to the  
7       designating municipality. Upon certification of a River Edge  
8       Redevelopment Zone, the terms and provisions of the  
9       designating ordinance shall be in effect, and may not be  
10      amended or repealed except in accordance with Section 10-5.4.

11          (c) A River Edge Redevelopment Zone shall be in effect for  
12      the period stated in the certificate, which shall in no event  
13      exceed 30 calendar years. Zones shall terminate at midnight of  
14      December 31 of the final calendar year of the certified term,  
15      except as provided in Section 10-5.4.

16          (d) In calendar years 2006 and 2007, the Department may  
17      certify one pilot River Edge Redevelopment Zone in the City of  
18      East St. Louis, one pilot River Edge Redevelopment Zone in the  
19      City of Rockford, and one pilot River Edge Redevelopment Zone  
20      in the City of Aurora.

21          In calendar year 2009, the Department may certify one  
22      pilot River Edge Redevelopment Zone in the City of Elgin.

23          On or after the effective date of this amendatory Act of  
24      the 97th General Assembly, the Department may certify one  
25      additional pilot River Edge Redevelopment Zone in the City of  
26      Peoria.



1           On or after the effective date of this amendatory Act of  
2 the 103rd General Assembly, the Department may certify 2  
3 additional pilot River Edge Redevelopment Zones, including one  
4 in the City of Joliet and one in the City of Kankakee.

5           On or after the effective date of this amendatory Act of  
6 the 103rd General Assembly, the Department may certify 7  
7 additional pilot River Edge Redevelopment Zones, including one  
8 in the City of East Moline, one in the City of Moline, one in  
9 the City of Ottawa, one in the City of LaSalle, one in the City  
10 of Peru, one in the City of Rock Island, and one in the City of  
11 Quincy.

12           After certifying the additional pilot River Edge  
13 Redevelopment Zones authorized by the above paragraphs, the  
14 Department may not certify any additional River Edge  
15 Redevelopment Zones, but it may amend and rescind  
16 certifications of existing River Edge Redevelopment Zones in  
17 accordance with Section 10-5.4, except that no River Edge  
18 Redevelopment Zone may be extended on or after the effective  
19 date of this amendatory Act of the 97th General Assembly. Each  
20 River Edge Redevelopment Zone in existence on the effective  
21 date of this amendatory Act of the 97th General Assembly shall  
22 continue until its scheduled termination under this Act,  
23 unless the Zone is decertified sooner. At the time of its term  
24 expiration each River Edge Redevelopment Zone will become an  
25 open enterprise zone, available for the previously designated  
26 area or a different area to compete for designation as an

1 enterprise zone. No preference for designation as a Zone will  
2 be given to the previously designated area.

3 (e) A municipality in which a River Edge Redevelopment  
4 Zone has been certified must submit to the Department, within  
5 60 days after the certification, a plan for encouraging the  
6 participation by minority persons, women, persons with  
7 disabilities, and veterans in the zone. The Department may  
8 assist the municipality in developing and implementing the  
9 plan. The terms "minority person", "woman", and "person with a  
10 disability" have the meanings set forth under Section 2 of the  
11 Business Enterprise for Minorities, Women, and Persons with  
12 Disabilities Act. "Veteran" means an Illinois resident who is  
13 a veteran as defined in subsection (h) of Section 1491 of Title  
14 10 of the United States Code.

15 (Source: P.A. 103-9, eff. 6-7-23.)

16 (65 ILCS 115/10-10.3)

17 Sec. 10-10.3. River Edge Construction Jobs Credit.

18 (a) Beginning on January 1, 2021, a business entity may  
19 receive a tax credit against the tax imposed under subsections  
20 (a) and (b) of Section 201 in an amount equal to 50% (or 75% if  
21 the project is located in an underserved area) of the amount of  
22 the incremental income tax attributable to River Edge  
23 construction jobs employees employed in the course of  
24 completing a River Edge construction jobs project. The credit  
25 allowed under this Section shall apply only to taxpayers that

1 make a capital investment of at least \$1,000,000 in a  
2 qualified rehabilitation plan.

3 (b) A business entity seeking a credit under this Section  
4 must submit an application to the Department describing the  
5 nature and benefit of the River Edge construction jobs project  
6 to the qualified rehabilitation project and the River Edge  
7 Redevelopment Zone. The Department may adopt any necessary  
8 rules in order to administer the provisions of this Section.

9 (c) Within 45 days after the receipt of an application,  
10 the Department shall give notice to the applicant as to  
11 whether the application has been approved or disapproved. If  
12 the Department disapproves the application, it shall specify  
13 the reasons for this decision and allow 60 days for the  
14 applicant to amend and resubmit its application. The  
15 Department shall provide assistance upon request to  
16 applicants. Resubmitted applications shall receive the  
17 Department's approval or disapproval within 30 days of  
18 resubmission. Those resubmitted applications satisfying  
19 initial Department objectives shall be approved unless  
20 reasonable circumstances warrant disapproval.

21 (d) On an annual basis, the designated zone organization  
22 shall furnish a statement to the Department on the  
23 programmatic and financial status of any approved project and  
24 an audited financial statement of the project.

25 (e) The Department shall certify to the Department of  
26 Revenue the identity of the taxpayers who are eligible for

1 River Edge construction jobs credits and the amounts of River  
2 Edge construction jobs credits awarded in each taxable year.

3 (f) (Blank). ~~The Department, in collaboration with the~~  
4 ~~Department of Labor, shall require certified payroll~~  
5 ~~reporting, pursuant to Section 10-10.4 of this Act, be~~  
6 ~~completed in order to verify the wages and any other necessary~~  
7 ~~information which the Department may deem necessary to~~  
8 ~~ascertain and certify the total number of River Edge~~  
9 ~~construction jobs employees and determine the amount of a~~  
10 ~~River Edge construction jobs credit.~~

11 (g) The total aggregate amount of credits awarded under  
12 the Blue Collar Jobs Act (Article 20 of this amendatory Act of  
13 the 101st General Assembly) shall not exceed \$20,000,000 in  
14 any State fiscal year.

15 (Source: P.A. 101-9, eff. 6-5-19.)

16 (65 ILCS 115/10-10.4)

17 Sec. 10-10.4. Certified payroll. Any taxpayer seeking Any  
18 ~~contractor and each subcontractor who is engaged in and is~~  
19 ~~executing a River Edge construction job tax credits must jobs~~  
20 ~~project for a taxpayer that is entitled to a credit pursuant to~~  
21 ~~Section 10-10.3 of this Act shall:~~

22 (1) annually, until construction is completed, submit  
23 a report that, at a minimum, describes the projected  
24 project scope, timeline, and anticipated budget; once the  
25 project has commenced, the annual report shall include

1 actual data for the prior year as well as projections for  
2 each additional year through completion of the project;  
3 the Department shall issue detailed reporting guidelines  
4 prescribing the requirements of construction-related  
5 reports; and

6 (2) provide the Department with evidence that a  
7 certified third-party executed an Agreed-Upon Procedure  
8 (AUP) verifying the construction expenses or accept the  
9 standard construction wage expense estimated by the  
10 Department; upon review of the final project scope,  
11 timeline, budget, and AUP, the Department shall issue a  
12 tax credit certificate reflecting a percentage of the  
13 total construction job wages paid throughout the  
14 completion of the project.

15 ~~(1) make and keep, for a period of 5 years from the~~  
16 ~~date of the last payment made on or after June 5, 2019 (the~~  
17 ~~effective date of Public Act 101-9) on a contract or~~  
18 ~~subcontract for a River Edge Construction Jobs Project in~~  
19 ~~a River Edge Redevelopment Zone records of all laborers~~  
20 ~~and other workers employed by them on the project; the~~  
21 ~~records shall include:~~

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

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

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

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

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

1           ~~classifications;~~

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

3           ~~pay period;~~

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

5           ~~(H) the worker's starting and ending times of work~~

6           ~~each day;~~

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

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

9           ~~(2) no later than the 15th day of each calendar month,~~

10          ~~provide a certified payroll for the immediately preceding~~

11          ~~month to the taxpayer in charge of the project; within 5~~

12          ~~business days after receiving the certified payroll, the~~

13          ~~taxpayer shall file the certified payroll with the~~

14          ~~Department of Labor and the Department of Commerce and~~

15          ~~Economic Opportunity; a certified payroll must be filed~~

16          ~~for only those calendar months during which construction~~

17          ~~on a River Edge Construction Jobs Project has occurred;~~

18          ~~the certified payroll shall consist of a complete copy of~~

19          ~~the records identified in paragraph (1), but may exclude~~

20          ~~the starting and ending times of work each day; the~~

21          ~~certified payroll shall be accompanied by a statement~~

22          ~~signed by the contractor or subcontractor or an officer,~~

23          ~~employee, or agent of the contractor or subcontractor~~

24          ~~which avers that:~~

25                 ~~(A) he or she has examined the certified payroll~~

26                 ~~records required to be submitted and such records are~~

1 ~~true and accurate; and~~

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

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

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

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

23 ~~The records submitted in accordance with this Section~~  
24 ~~shall be considered public records, except an employee's~~  
25 ~~address, telephone number, and social security number, and~~  
26 ~~made available in accordance with the Freedom of Information~~

1 ~~Act. The Department of Labor shall accept any reasonable~~  
2 ~~submissions by the contractor that meet the requirements of~~  
3 ~~this Section and shall share the information with the~~  
4 ~~Department in order to comply with the awarding of River Edge~~  
5 ~~construction jobs credits. A contractor, subcontractor, or~~  
6 ~~public body may retain records required under this Section in~~  
7 ~~paper or electronic format.~~

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

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

17       Section 85. The Public Utilities Act is amended by  
18 changing Section 9-222 as follows:

19       (220 ILCS 5/9-222) (from Ch. 111 2/3, par. 9-222)

20       Sec. 9-222. Whenever a tax is imposed upon a public  
21 utility engaged in the business of distributing, supplying,  
22 furnishing, or selling gas for use or consumption pursuant to  
23 Section 2 of the Gas Revenue Tax Act, or whenever a tax is  
24 required to be collected by a delivering supplier pursuant to



1 Section 2-7 of the Electricity Excise Tax Act, or whenever a  
2 tax is imposed upon a public utility pursuant to Section 2-202  
3 of this Act, such utility may charge its customers, other than  
4 customers who are high impact businesses under Section 5.5 of  
5 the Illinois Enterprise Zone Act, customers who are certified  
6 under Section 95 of the Reimagining Energy and Vehicles in  
7 Illinois Act, manufacturers under the Manufacturing Illinois  
8 Chips for Real Opportunity (MICRO) Act, customers who are  
9 tenants in a quantum computing campus under Section 605-1115  
10 of the Department of Commerce and Economic Opportunity Law of  
11 the Civil Administrative Code of Illinois, or certified  
12 business enterprises under Section 9-222.1 of this Act, to the  
13 extent of such exemption and during the period in which such  
14 exemption is in effect, in addition to any rate authorized by  
15 this Act, an additional charge equal to the total amount of  
16 such taxes. The exemption of this Section relating to high  
17 impact businesses shall be subject to the provisions of  
18 subsections (a), (b), and (b-5) of Section 5.5 of the Illinois  
19 Enterprise Zone Act. This requirement shall not apply to taxes  
20 on invested capital imposed pursuant to the Messages Tax Act,  
21 the Gas Revenue Tax Act and the Public Utilities Revenue Act.  
22 Such utility shall file with the Commission a supplemental  
23 schedule which shall specify such additional charge and which  
24 shall become effective upon filing without further notice.  
25 Such additional charge shall be shown separately on the  
26 utility bill to each customer. The Commission shall have the

1 power to investigate whether or not such supplemental schedule  
2 correctly specifies such additional charge, but shall have no  
3 power to suspend such supplemental schedule. If the Commission  
4 finds, after a hearing, that such supplemental schedule does  
5 not correctly specify such additional charge, it shall by  
6 order require a refund to the appropriate customers of the  
7 excess, if any, with interest, in such manner as it shall deem  
8 just and reasonable, and in and by such order shall require the  
9 utility to file an amended supplemental schedule corresponding  
10 to the finding and order of the Commission. Except with  
11 respect to taxes imposed on invested capital, such tax  
12 liabilities shall be recovered from customers solely by means  
13 of the additional charges authorized by this Section.

14 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;  
15 102-1125, eff. 2-3-23.)

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