

# HB5014



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

HB5014

Introduced 2/7/2012, by Rep. Michael J. Zalewski

#### SYNOPSIS AS INTRODUCED:

35 ILCS 120/1i

from Ch. 120, par. 440i

Amends the Retailers' Occupation Tax Act. Provides that a business enterprise is not eligible for the high impact facility exemption for a period of more than 25 years from the date of the issuance of the certification of eligibility for that exemption. Effective immediately.

LRB097 19859 HLH 65140 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Retailers' Occupation Tax Act is amended by  
5 changing Section 1i as follows:

6 (35 ILCS 120/1i) (from Ch. 120, par. 440i)

7 Sec. 1i. High Impact Service Facility means a facility used  
8 primarily for the sorting, handling and redistribution of mail,  
9 freight, cargo, or other parcels received from agents or  
10 employees of the handler or shipper for processing at a common  
11 location and redistribution to other employees or agents for  
12 delivery to an ultimate destination on an item-by-item basis,  
13 and which: (1) will make an investment in a business enterprise  
14 project of \$100,000,000 dollars or more; (2) will cause the  
15 creation of at least 750 to 1,000 jobs or more in an enterprise  
16 zone established pursuant to the Illinois Enterprise Zone Act;  
17 and (3) is certified by the Department of Commerce and Economic  
18 Opportunity as contractually obligated to meet the  
19 requirements specified in divisions (1) and (2) of this  
20 paragraph within the time period as specified by the  
21 certification. Any business enterprise project applying for  
22 the exemption stated in this Section shall make application to  
23 the Department of Commerce and Economic Opportunity in such

1 form and providing such information as may be prescribed by the  
2 Department of Commerce and Economic Opportunity.

3 The Department of Commerce and Economic Opportunity shall  
4 determine whether the business enterprise project meets the  
5 criteria prescribed in this Section. If the Department of  
6 Commerce and Economic Opportunity determines that such  
7 business enterprise project meets the criteria, it shall issue  
8 a certificate of eligibility for exemption to the business  
9 enterprise in such form as is prescribed by the Department of  
10 Revenue. The Department of Commerce and Economic Opportunity  
11 shall act upon such certification requests within 60 days after  
12 receipt of the application, and shall file with the Department  
13 of Revenue a copy of each certificate of eligibility for  
14 exemption.

15 The Department of Commerce and Economic Opportunity shall  
16 have the power to promulgate rules and regulations to carry out  
17 the provisions of this Section and to require that any business  
18 enterprise that is granted a tax exemption repay the exempted  
19 tax if the business enterprise fails to comply with the terms  
20 and conditions of the certification.

21 The certificate of eligibility for exemption shall be  
22 presented by the business enterprise to its supplier when  
23 making the initial purchase of machinery and equipment for  
24 which an exemption is granted by Section 1j of this Act,  
25 together with a certification by the business enterprise that  
26 such machinery and equipment is exempt from taxation under

1 Section 1j of this Act and by indicating the exempt status of  
2 each subsequent purchase on the face of the purchase order.

3 The certification of eligibility for exemption shall be  
4 presented by the business enterprise to its supplier when  
5 making the purchase of jet fuel and petroleum products for  
6 which an exemption is granted by Section 1j.1 of this Act,  
7 together with a certification by the business enterprise that  
8 such jet fuel and petroleum product, are exempt from taxation  
9 under Section 1j.1 of this Act, and by indicating the exempt  
10 status of each subsequent purchase on the face of the purchase  
11 order.

12 The Department of Commerce and Economic Opportunity shall  
13 determine the period during which such exemption from the taxes  
14 imposed under this Act will remain in effect; however, that  
15 period shall not exceed 25 years from the date of the issuance  
16 of the certification of eligibility.

17 (Source: P.A. 94-793, eff. 5-19-06.)

18 Section 99. Effective date. This Act takes effect upon  
19 becoming law.