

AN ACT concerning revenue.

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

Section 5. The Economic Development for a Growing Economy Tax Credit Act is amended by changing Section 5-50 as follows:

(35 ILCS 10/5-50)

Sec. 5-50. Contents of Agreements with Applicants. The Department shall enter into an Agreement with an Applicant that is awarded a Credit under this Act. The Agreement must include all of the following:

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

(2) The duration of the Credit and the first taxable year for which the Credit may be claimed.

(3) The Credit amount that will be allowed for each taxable year.

(4) A requirement that the Taxpayer shall maintain operations at the project location that shall be stated as a minimum number of years not to exceed 10.

(5) A specific method for determining the number of New Employees employed during a taxable year.

(6) A requirement that the Taxpayer shall annually

report to the Department the number of New Employees, the Incremental Income Tax withheld in connection with the New Employees, and any other information the Director needs to perform the Director's duties under this Act.

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

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

(9) A detailed description of the number of New Employees to be hired, and the occupation and payroll of the full-time jobs to be created or retained as a result of the project.

(10) The minimum investment the business enterprise will make in capital improvements, the time period for placing the property in service, and the designated location in Illinois for the investment.

(11) A requirement that the Taxpayer shall provide written notification to the Director and the Committee not more than 30 days after the Taxpayer determines that the minimum job creation or retention, employment payroll, or

investment no longer is being or will be achieved or maintained as set forth in the terms and conditions of the Agreement.

(12) A provision that, if the total number of New Employees falls below a specified level, the allowance of Credit shall be suspended until the number of New Employees equals or exceeds the Agreement amount.

(13) A detailed description of the items for which the costs incurred by the Taxpayer will be included in the limitation on the Credit provided in Section 5-30.

(13.5) A provision that, if the Taxpayer never meets either the investment or job creation and retention requirements specified in the Agreement during the entire 5-year period beginning on the first day of the first taxable year in which the Agreement is executed and ending on the last day of the fifth taxable year after the Agreement is executed, then the Agreement is automatically terminated on the last day of the fifth taxable year after the Agreement is executed and the Taxpayer is not entitled to the award of any credits for any of that 5-year period.

(14) Any other performance conditions or contract provisions as the Department determines are appropriate.

The Department shall post on its website the terms of each Agreement entered into under this Act on or after the effective date of this amendatory Act of the 97th General Assembly.

(Source: P.A. 97-2, eff. 5-6-11.)

Public Act 097-0749

HB3934 Enrolled

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