



JACKSONVILLE REGIONAL ENTERPRISE ZONE

RESIDENTIAL PROJECT Benefit Information & Instructions





APPLYING FOR ENTERPRISE ZONE BENEFITS

- **In order to receive any Enterprise Zone benefits, either the Property Tax Abatement and/or the Sales Tax Exemption, you must apply to the Enterprise Zone Administrator and be within the guidelines outlined below.**
- **All recipients of Enterprise Zone Benefits are required to submit an Annual Report on the benefits received, including Real Estate Tax Abatement and Sales Tax Abatements. In addition, you must notify the Zone Administrator when the project is complete and provide a copy of your Annual Report made to the Illinois Department of Revenue.**
- **Misuse and failure to comply with required reporting will result in revocation of your certificate and could prevent you from obtaining future certificates.**

APPLYING FOR A BUILDING MATERIALS SALES TAX EXEMPTION CERTIFICATE

- **ALL Property Owners, Contractors and Sub-Contractors seeking benefits, must complete a project application form in order to receive Enterprise Zone benefits.**
- **Building Materials Sales Tax Exemption Certificates cannot be transferred between contractors or projects.**
- **All Building Materials Sales Tax Exemption Certificates are job/project specific and only apply to project listed on the application form.**
- **All projects located in jurisdictions that have adopted building codes with building permits, a permit is required prior to any Enterprise Zone Application.**
- **You must be able to provide a break out of your total estimated project costs. Specifically you must provide estimated labor costs and estimated building material costs.**
- **Please provide an estimate on jobs created or jobs retained.**
- **You must have a valid email address to receive Jacksonville Regional Enterprise Zone benefits.**
- **Applicants are required to register and obtain an Applicant ID Number which is issued by the Illinois Department of Revenue. You may apply online at www2.illinois.gov or the Zone Administrator can assist you with the process.**
- **A Federal Employer Identification Number (FEIN) is required. If you do not have an FEIN, you will be asked to provide your Social Security Number (SSN).**
- **Effective January 1, 2020: All owners, contractors and sub-contractors are required to pay a project application fee. The project application fee is 0.5% of the total cost of permanently affixed building materials. Fee will not exceed \$50,000. The fee must be paid prior to the issuance of the Building Materials Sales Tax Exemption Certificate.**

Application Fee Schedule:

Estimated Building Materials Cost	Estimated Sales Tax Saved (8.0%)	Fee (0.005%)
Less than \$5,000		Fee waived
\$5,000	\$400	\$25
\$10,000	\$800	\$50
\$20,000	\$1,600	\$100
\$25,000	\$2,000	\$125
\$50,000	\$4,000	\$250
\$100,000	\$8,000	\$500
\$250,000	\$20,000	\$1,250
\$500,000	\$40,000	\$2,500
\$1,000,000	\$80,000	\$5,000
\$10,000,000	\$800,000	\$50,000

APPLYING FOR PROPERTY TAX ABATEMENT

- **You must provide the Property Identification Number (PIN) for your projects property.**
- **For Commercial and Industrial projects occurring on parcels or properties located within the boundaries of the Zone, taxes on the increased assessment amount due to rehabilitation, expansion or new construction shall be abated as shown below.**
 - **Years 1-3 abated 100%**
 - **Year 4 abated 80%**
 - **Year 5 abated 60%**
 - **Year 6 abated 40%**
 - **Year 7 abated 20%**
 - **Fully taxed at 100% in year 8**
- **Residential projects are not eligible for a Property Tax Abatement.**
- **Property Tax Abatements do not apply to areas of an Enterprise Zone that are contained within a Tax Increment Financing Redevelopment Area (TIF District).**
- **Property Tax Abatements shall be in effect commencing with the first tax year after the real property improvements have been assessed.**
- **Abatements shall only apply to real property taxes corresponding to an increase in assessed valuation on property in an enterprise zone after improvements have been duly assessed.**



HOW TO APPLY FOR AN “APPLICANT ID”

You may apply for your Applicant ID by following the directions below, or your Zone Administrator can assist you with the application

1. www2.illinois.gov/rev
2. Click on the “**Businesses**” tab at the top of the page.
3. From the drop down menu, select “**Business Incentives Reporting**”.
4. Scroll down to “**Building Materials Exemption Certification**”
5. Click on “**Proceed to BMEC Application**”.
6. Read the instructions carefully and click on “**Next**”
7. Click on “**Certificate Applicant**”.
8. Click on “**Register Now**” in the green box.
9. Select and enter your ID information
10. Complete requested information.
11. Your Applicant ID will be forwarded to you via email.

FILING YOUR ANNUAL REPORT FOR THE BUILDING MATERIALS EXEMPTION CERTIFICATE

Illinois Law requires all contractors and sub-Contractors to file a Building Materials Exemption Report annually. You will be notified by Illinois Department of Revenue when your report is due. You may file your report by following the directions below, or your Zone Administrator can assist you with the reporting.

1. www2.illinois.gov/rev
2. Click on the “**Businesses**” tab at the top of the page.
3. From the drop down menu select “**Business Incentives Reporting**”
4. Click the red “**Click here to begin filing a Report**”
5. Read the directions carefully, and click “**Next**”.
6. Select your “**ID Type**” in the yellow box. Fill in your selection and click “**Next**”.
7. Continue your report and submit when completed.

Questions or need assistance? Contact Bonni Waters, Zone Administrator at 217-479-4627