

Additional Enterprise Zone Benefits

The Enterprise Zone Program is administered at the state level by the Illinois Department of Commerce & Economic Opportunity (DCEO) and locally by the Jacksonville Regional Economic Development Corporation (JREDC).

The Building Materials Sales Tax Exemption Certificate and the Property Tax Abatement on Industrial and Commercial projects are administered by the JREDC, contact Bonni Waters, Zone Administrator, 217-479-4627 or email bonni@jredc.org.

The following incentives are available through DCEO. Please contact Ben Denney, DCEO/Enterprise Zones 217-524-0165 or by email at Ben.Denney@illinois.gov

Investment Tax Credit

Enterprise Zone businesses may claim an extra 0.5% of the cost (“basis”) of qualified depreciable property placed in service in the Enterprise Zone as a credit on their state income taxes. This credit is in addition to the existing 0.5% investment tax credit allowed to all manufacturers in Illinois on state income taxes.

The Utility Tax Exemption

The Public Utilities Act 220 ILCS 5/9-222.1, as amended and the Telecommunications Excise Tax Act 35 ILCS 630/2(a)(5), as amended allows a business enterprise that is certified by Illinois Department of Commerce and Economic Opportunity, as making an investment in a zone that either creates a minimum of 200 full-time equivalent jobs in Illinois or retains a minimum of 1,000 full-time jobs in Illinois, a 5 percent state tax exemption on gas, electricity and the Illinois Commerce Commission .1 percent administrative charge and excise taxes on the act or privilege of originating or receiving telecommunications. Local units of government may also exempt their taxes on gas, electricity and water.

The Machinery and Equipment Sales Tax Exemption

The Revenue Act 35 ILCS 120/1d-1f, as amended allows a business enterprise that is certified by DCEO, that either creates a minimum of 200 full-time equivalent jobs in Illinois; or retains a minimum of 2,000 full-time jobs in Illinois; or which retains 90% of the existing jobs, a 6.25 percent state sales tax exemption on all tangible personal property which is used or consumed within an enterprise zone in the process of manufacturing or assembly of tangible personal property for wholesale or retail sale or lease. This exemption includes repair and replacement parts for machinery and equipment used primarily in the wholesale or retail sale or lease, and equipment, manufacturing fuels, material and supplies for the maintenance, repair or operation of manufacturing, or assembling machinery or equipment.

The High Impact Service Facility Machinery and Equipment Sales Tax Exemption

This exemption applies specifically to “jet fuel and petroleum products sold to and used in the conduct of its business of sorting, handling and redistribution of mail, freight, cargo or other parcels in the operation of a high impact service facility that is located within an enterprise zone established pursuant to the Illinois Enterprise Zone Act which shall be exempt from the tax imposed by this Act. The minimum period for which an exemption from taxes is granted by this Section is 10 years, regardless of the duration of the Enterprise Zone.

***For projects that are qualified and approved by Illinois Department of Commerce and Community Affairs, a sales tax exemption on the purchase of jet fuel.**