



BENEFITS AND INCENTIVES



BOONE COUNTY INCENTIVES

PROPERTY TAX ABATEMENTS

ELIGIBILITY AND IMPLEMENTATION

Property taxes are abated on improvements to commercial and industrial properties located within the Belvidere-Boone County Enterprise Zone, which result in an increase in the property's Equalized Assessed value (EAV). The property tax abatements are realized one full assessment cycle after completion of the project, on the increased portion of the assessment and do not apply to the assessment amount prior to construction or renovations.

Property tax abatements begin one full year after completion of a project, in order to receive the full property tax abatement benefit.

Additional abatements are available for individual industrial taxpayers who construct further improvements beyond those that were abated in the above incentive or who cause their suppliers to construct new improvements.

BOONE COUNTY INCENTIVES

PROPERTY TAX ABATEMENTS

TAXING BODIES INCLUDED IN ABATEMENT

- Boone County
- City of Belvidere
- Village of Capron
- Village of Poplar Grove
- Belvidere Township
- Belvidere Township Park District
- Belvidere Community Unit School District #100

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BOONE COUNTY INCENTIVES

PROPERTY TAX ABATEMENTS

TIERED SCHEDULES

BASE-LEVEL PROPERTY TAX ABATEMENT

Minimum Investment: No Requirement | Minimum Job Creation: No Requirement

Year 1	Year 2	Year 3	Year 4
80%	60%	40%	20%

MID-LEVEL PROPERTY TAX ABATEMENT

Minimum Investment: \$200,000,000 | Minimum Job Creation: 150

Year 1	Year 2	Year 3	Year 4	Year 5	Years 6-10
100%	90%	80%	60%	50%	25%

HIGH-LEVEL PROPERTY TAX ABATEMENT

Minimum Investment: \$800,000,000 | Minimum Job Creation: 400

Years 1-5	Years 6-10
85%	50%

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BOONE COUNTY INCENTIVES

BUILDING PERMIT FEE REDUCTION

SAVE 50%

50% of any building permit fee will be waived when certain information related to development activity within the Enterprise Zone is provided, at the time the permit is requested.*

**Requested Information:*

Business Name • Property Address • Federal Identification Number • Unemployment Insurance Number • Estimated Project Costs • Project Completion Date • Employment Numbers

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STATE OF ILLINOIS BENEFITS & INCENTIVES

BUILDING MATERIALS SALES TAX EXEMPTION

Illinois Sales Tax is exempted on building materials used for remodeling, rehabilitation or new construction. Building materials that are eligible for the Enterprise Zone sales tax deduction include items that are permanently affixed to real property.

EXAMPLES OF ELIGIBLE MATERIALS THAT CAN QUALIFY:

- 1) common building materials such as lumber, bricks, cement, windows, doors, insulation, roofing materials & sheet metal;
- 2) plumbing systems & components such as bathtubs, sinks, faucets, garbage disposals, water pumps, water heaters, water softeners & water pipes;
- 3) heating systems & components such as furnaces, ductwork, vents, stokers, boilers, heating pipes & radiators;
- 4) electrical systems & components such as wiring, outlets & light fixtures that are physically incorporated into the real estate;
- 5) central air conditioning systems, ventilation systems & components thereof that are physically incorporated into the real estate;
- 6) built-in cabinets & other woodwork that are physically incorporated into the real estate;
- 7) built-in appliances such as refrigerators, stoves, ovens & trash compactors that are physically incorporated into the real estate; &
- 8) floor coverings such as tile, linoleum & carpeting that are glued or otherwise permanently affixed.

STATE OF ILLINOIS BENEFITS & INCENTIVES

BLUE COLLAR JOBS ACT

The Blue Collar Jobs Act (BCJA) programs supports large-scale economic development activities by providing corporate income tax credits to companies that make substantial capital investments in the State of Illinois. Tax credits are based on the wages paid to construction workers employed on eligible projects.

Eligible companies can receive tax credit equal to 75% of the income tax attributable to construction workers on eligible projects located in an “underserved area” or 50% for projects located in other areas.

ELIGIBLE PROJECTS FOR EZ CONSTRUCTION CREDITS

- The project involves a capital investment of at least \$10 Million.
- The project must be located in a certified Enterprise Zone and approved by the designated Enterprise Zone Administrator.

STATE OF ILLINOIS BENEFITS & INCENTIVES

INVESTMENT TAX CREDIT

The Illinois Tax Credit Act allows corporations, trusts, estates, individuals, partners and Subchapter S shareholders a 0.5% credit against the state income tax for investments in qualified property which is placed in service in an Enterprise Zone.

WHAT ARE EXAMPLES OF “QUALIFIED PROPERTY”?

- Buildings
- Structural Components of Buildings
- Elevators
- Material Tanks
- Boilers
- Major Computer Installations

OPEN MARKET NATURAL GAS TAX CREDIT

Companies located within the boundaries of the Illinois Enterprise Zone are entitled to an exemption on the state sales tax for “wheeled” or open market natural gas transactions, with the requirement that it is from an out-of-state vendor.

STATE OF ILLINOIS BENEFITS & INCENTIVES

UTILITY TAX EXEMPTION

The Public Utilities Tax Act and the Telecommunications Excise Tax Act allow a business enterprise certified by the Department of Commerce & Economic Opportunity (DCEO) as making an investment in an Enterprise Zone of at least \$5 million and 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%** state tax exemption on gas, electricity and the Illinois Commerce Commission 0.1% administrative charge and excise tax on the act or privilege of originating or receiving telecommunications.

POLLUTION CONTROL FACILITIES EXEMPTION

Sales tax exemption on tangible personal property used within the Enterprise Zone in the operation of pollution control facilities. Must be DCEO certified, create a minimum of 200 full-time jobs or retains a minimum of 2,000 full-time jobs.

STATE OF ILLINOIS BENEFITS & INCENTIVES

MANUFACTURING MACHINERY & EQUIPMENT (MM/E) SALES TAX EXEMPTION

The Revenue Act allows a business enterprise that is certified by DCEO as making a \$5 million investment the 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%** 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.

WHAT ARE EXAMPLES OF “TANGIBLE PERSONAL PROPERTY”?

- Repair and Replacement Parts
- Hand Tools
- Materials and Supplies (i.e. abrasives, acids or lubricants)
- Protective Clothing and Safety Equipment
- Fuel Used for Machinery and Equipment

MORE INFORMATION

GROWTH DIMENSIONS ECONOMIC WEBSITE

www.growthdimensions.org/site-selection/enterprise-zone

CONTACT GROWTH DIMENSIONS

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