

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 Reimagining Energy and Vehicles in Illinois
5 Act is amended by changing Section 30 as follows:

6 (20 ILCS 686/30)

7 Sec. 30. Tax credit awards.

8 (a) Subject to the conditions set forth in this Act, a
9 taxpayer is entitled to a credit against the tax imposed
10 pursuant to subsections (a) and (b) of Section 201 of the
11 Illinois Income Tax Act for a taxable year beginning on or
12 after January 1, 2025 if the taxpayer is awarded a credit by
13 the Department in accordance with an agreement under this Act.
14 The Department has authority to award credits under this Act
15 on and after January 1, 2022.

16 (b) REV Illinois Credits. A taxpayer may receive a tax
17 credit against the tax imposed under subsections (a) and (b)
18 of Section 201 of the Illinois Income Tax Act, not to exceed
19 the sum of (i) 75% of the incremental income tax attributable
20 to new employees at the applicant's project and (ii) 10% of the
21 training costs of the new employees. If the project is located
22 in an underserved area or an energy transition area, then the
23 amount of the credit may not exceed the sum of (i) 100% of the

1 incremental income tax attributable to new employees at the
2 applicant's project; and (ii) 10% of the training costs of the
3 new employees. The percentage of training costs includable in
4 the calculation may be increased by an additional 15% for
5 training costs associated with new employees that are recent
6 (2 years or less) graduates, certificate holders, or
7 credential recipients from an institution of higher education
8 in Illinois, or, if the training is provided by an institution
9 of higher education in Illinois, the Clean Jobs Workforce
10 Network Program, or an apprenticeship and training program
11 located in Illinois and approved by and registered with the
12 United States Department of Labor's Bureau of Apprenticeship
13 and Training. An applicant is also eligible for a training
14 credit that shall not exceed 10% of the training costs of
15 retained employees for the purpose of upskilling to meet the
16 operational needs of the applicant or the REV Illinois
17 Project. The percentage of training costs includable in the
18 calculation shall not exceed a total of 25%. If an applicant
19 agrees to hire the required number of new employees, then the
20 maximum amount of the credit for that applicant may be
21 increased by an amount not to exceed 75% of the incremental
22 income tax attributable to retained employees at the
23 applicant's project; provided that, in order to receive the
24 increase for retained employees, the applicant must, if
25 applicable, meet or exceed the statewide baseline. For
26 agreements entered into on or after the effective date of this

1 amendatory Act of the 103rd General Assembly and before June
2 1, 2024 that qualify under paragraph (5) of subsection (c) of
3 Section 20, a taxpayer may receive a tax credit not to exceed
4 75% of the incremental income tax attributable to retained
5 employees at the applicant's project. If the project is in an
6 underserved area or an energy transition area and qualifies
7 under paragraph (5) of subsection (c) of Section 20, then the
8 maximum amount of the credit attributable to retained
9 employees for the applicant may be increased to an amount not
10 to exceed 100% of the incremental income tax attributable to
11 retained employees at the applicant's project.

12 If the Project is in an underserved area or an energy
13 transition area, the maximum amount of the credit attributable
14 to retained employees for the applicant may be increased to an
15 amount not to exceed 100% of the incremental income tax
16 attributable to retained employees at the applicant's project;
17 provided that, in order to receive the increase for retained
18 employees, the applicant must meet or exceed the statewide
19 baseline. REV Illinois Credits awarded may include credit
20 earned for incremental income tax withheld and training costs
21 incurred by the taxpayer beginning on or after January 1,
22 2022. Credits so earned and certified by the Department may be
23 applied against the tax imposed by subsections (a) and (b) of
24 Section 201 of the Illinois Income Tax Act for taxable years
25 beginning on or after January 1, 2025.

26 (c) REV Construction Jobs Credit. For construction wages

1 associated with a project that qualified for a REV Illinois
2 Credit under subsection (b), the taxpayer may receive a tax
3 credit against the tax imposed under subsections (a) and (b)
4 of Section 201 of the Illinois Income Tax Act in an amount
5 equal to 50% of the incremental income tax attributable to
6 construction wages paid in connection with construction of the
7 project facilities, as a jobs credit for workers hired to
8 construct the project.

9 The REV Construction Jobs Credit may not exceed 75% of the
10 amount of the incremental income tax attributable to
11 construction wages paid in connection with construction of the
12 project facilities if the project is in an underserved area or
13 an energy transition area.

14 (d) The Department shall certify to the Department of
15 Revenue: (1) the identity of Taxpayers that are eligible for
16 the REV Illinois Credit and REV Construction Jobs Credit; (2)
17 the amount of the REV Illinois Credits and REV Construction
18 Jobs Credits awarded in each calendar year; and (3) the amount
19 of the REV Illinois Credit and REV Construction Jobs Credit
20 claimed in each calendar year. REV Illinois Credits awarded
21 may include credit earned for Incremental Income Tax withheld
22 and Training Costs incurred by the Taxpayer beginning on or
23 after January 1, 2022. Credits so earned and certified by the
24 Department may be applied against the tax imposed by Section
25 201(a) and (b) of the Illinois Income Tax Act for taxable years
26 beginning on or after January 1, 2025.

1 (e) Applicants seeking certification for tax credits
2 related to the construction of the project facilities in the
3 State shall require the contractor to enter into a project
4 labor agreement that conforms with the Project Labor
5 Agreements Act.

6 (f) Any applicant issued a certificate for a tax credit or
7 tax exemption under this Act must annually report to the
8 Department the total project tax benefits received. Reports
9 are due no later than May 31 of each year and shall cover the
10 previous calendar year. The first report is for the 2022
11 calendar year and is due no later than May 31, 2023. Failure to
12 report data may result in ineligibility to receive incentives.
13 The Department, in consultation with the Department of
14 Revenue, is authorized to adopt rules governing ineligibility
15 to receive exemptions, including the length of ineligibility.
16 Factors to be considered in determining whether a business is
17 ineligible shall include, but are not limited to, prior
18 compliance with the reporting requirements, cooperation in
19 discontinuing and correcting violations, the extent of the
20 violation, and whether the violation was willful or
21 inadvertent.

22 For applicants issued a certificate of exemption under
23 Section 105 of this Act, the report shall be the same as
24 required for a High Impact Business under subsection (a-5) of
25 Section 8.1 of the Illinois Enterprise Zone Act. Failure to
26 report data may result in revocation of the building materials

1 exemption certificate issued to a taxpayer. The Department of
2 Revenue is authorized to adopt rules governing revocation
3 determinations, including the length of revocation. Factors to
4 be considered in revocations shall include, but are not
5 limited to, prior compliance with the reporting requirements,
6 cooperation in discontinuing and correcting violations, and
7 whether the certificate was used unlawfully during the
8 preceding year.

9 Each person required to file a return under the Gas
10 Revenue Tax Act, the Electricity Excise Tax Law, or the
11 Telecommunications Excise Tax Act shall file a report
12 containing information about customers that are issued an
13 exemption certificate under Section 95 of this Act in the same
14 manner and form as they are required to report under
15 subsection (b) of Section 8.1 of the Illinois Enterprise Zone
16 Act.

17 (g) Nothing in this Act shall prohibit an award of credit
18 to an applicant that uses a PEO if all other award criteria are
19 satisfied.

20 (h) With respect to any portion of a REV Illinois Credit
21 that is based on the incremental income tax attributable to
22 new employees or retained employees, in lieu of the Credit
23 allowed under this Act against the taxes imposed pursuant to
24 subsections (a) and (b) of Section 201 of the Illinois Income
25 Tax Act, a taxpayer that otherwise meets the criteria set
26 forth in this Section, the taxpayer may elect to claim the

1 credit, on or after January 1, 2025, against its obligation to
2 pay over withholding under Section 704A of the Illinois Income
3 Tax Act. The election shall be made in the manner prescribed by
4 the Department of Revenue and once made shall be irrevocable.

5 (i) The Department of Revenue, in its discretion, may
6 require that the reports filed under this Section be submitted
7 electronically.

8 (j) The Department of Revenue shall have the authority to
9 adopt rules as are reasonable and necessary to implement the
10 provisions of this Section.

11 (Source: P.A. 102-669, eff. 11-16-21; 102-1112, eff. 12-21-22;
12 102-1125, eff. 2-3-23; 103-9, eff. 6-7-23.)

13 Section 10. The Manufacturing Illinois Chips for Real
14 Opportunity (MICRO) Act is amended by changing Section 110-30
15 as follows:

16 (35 ILCS 45/110-30)

17 Sec. 110-30. Tax credit awards.

18 (a) Subject to the conditions set forth in this Act, a
19 taxpayer is entitled to a credit against the tax imposed
20 pursuant to subsections (a) and (b) of Section 201 of the
21 Illinois Income Tax Act for a taxable year beginning on or
22 after January 1, 2025 if the taxpayer is awarded a credit by
23 the Department in accordance with an agreement under this Act.
24 The Department has authority to award credits under this Act

1 on and after January 1, 2023.

2 (b) A taxpayer may receive a tax credit against the tax
3 imposed under subsections (a) and (b) of Section 201 of the
4 Illinois Income Tax Act, not to exceed the sum of (i) 75% of
5 the incremental income tax attributable to new employees at
6 the applicant's project and (ii) 10% of the training costs of
7 the new employees. If the project is located in an underserved
8 area or an energy transition area, then the amount of the
9 credit may not exceed the sum of (i) 100% of the incremental
10 income tax attributable to new employees at the applicant's
11 project; and (ii) 10% of the training costs of the new
12 employees. The percentage of training costs includable in the
13 calculation may be increased by an additional 15% for training
14 costs associated with new employees that are recent (2 years
15 or less) graduates, certificate holders, or credential
16 recipients from an institution of higher education in
17 Illinois, or, if the training is provided by an institution of
18 higher education in Illinois, the Clean Jobs Workforce Network
19 Program, or an apprenticeship and training program located in
20 Illinois and approved by and registered with the United States
21 Department of Labor's Bureau of Apprenticeship and Training.
22 An applicant is also eligible for a training credit that shall
23 not exceed 10% of the training costs of retained employees for
24 the purpose of upskilling to meet the operational needs of the
25 applicant or the project. The percentage of training costs
26 includable in the calculation shall not exceed a total of 25%.

1 If an applicant agrees to hire the required number of new
2 employees, then the maximum amount of the credit for that
3 applicant may be increased by an amount not to exceed 75% of
4 the incremental income tax attributable to retained employees
5 at the applicant's project; provided that, in order to receive
6 the increase for retained employees, the applicant must, if
7 applicable, meet or exceed the statewide baseline. If the
8 Project is in an underserved area or an energy transition
9 area, the maximum amount of the credit attributable to
10 retained employees for the applicant may be increased to an
11 amount not to exceed 100% of the incremental income tax
12 attributable to retained employees at the applicant's project;
13 provided that, in order to receive the increase for retained
14 employees, the applicant must meet or exceed the statewide
15 baseline. Credits awarded may include credit earned for
16 incremental income tax withheld and training costs incurred by
17 the taxpayer beginning on or after January 1, 2023. Credits so
18 earned and certified by the Department may be applied against
19 the tax imposed by subsections (a) and (b) of Section 201 of
20 the Illinois Income Tax Act for taxable years beginning on or
21 after January 1, 2025.

22 (c) MICRO Construction Jobs Credit. For construction wages
23 associated with a project that qualified for a credit under
24 subsection (b), the taxpayer may receive a tax credit against
25 the tax imposed under subsections (a) and (b) of Section 201 of
26 the Illinois Income Tax Act in an amount equal to 50% of the

1 incremental income tax attributable to construction wages paid
2 in connection with construction of the project facilities, as
3 a jobs credit for workers hired to construct the project.

4 The MICRO Construction Jobs Credit may not exceed 75% of
5 the amount of the incremental income tax attributable to
6 construction wages paid in connection with construction of the
7 project facilities if the project is in an underserved area or
8 an energy transition area.

9 (d) The Department shall certify to the Department of
10 Revenue: (1) the identity of taxpayers that are eligible for
11 the MICRO Credit and MICRO Construction Jobs Credit; (2) the
12 amount of the MICRO Credits and MICRO Construction Jobs
13 Credits awarded in each calendar year; and (3) the amount of
14 the MICRO Credit and MICRO Construction Jobs Credit claimed in
15 each calendar year. MICRO Credits awarded may include credit
16 earned for incremental income tax withheld and training costs
17 incurred by the taxpayer beginning on or after January 1,
18 2023. Credits so earned and certified by the Department may be
19 applied against the tax imposed by Section 201(a) and (b) of
20 the Illinois Income Tax Act for taxable years beginning on or
21 after January 1, 2025.

22 (e) Applicants seeking certification for ~~a~~ tax credits
23 related to the construction of the project facilities in the
24 State shall require the contractor to enter into a project
25 labor agreement that conforms with the Project Labor
26 Agreements Act.

1 (f) Any applicant issued a certificate for a tax credit or
2 tax exemption under this Act must annually report to the
3 Department the total project tax benefits received. Reports
4 are due no later than May 31 of each year and shall cover the
5 previous calendar year. The first report is for the 2023
6 calendar year and is due no later than May 31, 2023. Failure to
7 report data may result in ineligibility to receive incentives.
8 The Department, in consultation with the Department of
9 Revenue, is authorized to adopt rules governing ineligibility
10 to receive exemptions, including the length of ineligibility.
11 Factors to be considered in determining whether a business is
12 ineligible shall include, but are not limited to, prior
13 compliance with the reporting requirements, cooperation in
14 discontinuing and correcting violations, the extent of the
15 violation, and whether the violation was willful or
16 inadvertent.

17 For applicants issued a certificate of exemption under
18 Section 110-105 of this Act, the report shall be the same as
19 required for a High Impact Business under subsection (a-5) of
20 Section 8.1 of the Illinois Enterprise Zone Act. Failure to
21 report data may result in revocation of the building materials
22 exemption certificate issued to a taxpayer. The Department of
23 Revenue is authorized to adopt rules governing revocation
24 determinations, including the length of revocation. Factors to
25 be considered in revocations shall include, but are not
26 limited to, prior compliance with the reporting requirements,

1 cooperation in discontinuing and correcting violations, and
2 whether the certificate was used unlawfully during the
3 preceding year.

4 Each person required to file a return under the Gas
5 Revenue Tax Act, the Electricity Excise Tax Act, or the
6 Telecommunications Excise Tax Act shall file a report on
7 customers issued an exemption certificate under Section 110-95
8 of this Act in the same manner and form as they are required to
9 report under subsection (b) of Section 8.1 of the Illinois
10 Enterprise Zone Act.

11 (g) Nothing in this Act shall prohibit an award of credit
12 to an applicant that uses a PEO if all other award criteria are
13 satisfied.

14 (h) With respect to any portion of a credit that is based
15 on the incremental income tax attributable to new employees or
16 retained employees, in lieu of the credit allowed under this
17 Act against the taxes imposed pursuant to subsections (a) and
18 (b) of Section 201 of the Illinois Income Tax Act, a taxpayer
19 that otherwise meets the criteria set forth in this Section,
20 the taxpayer may elect to claim the credit, on or after January
21 1, 2025, against its obligation to pay over withholding under
22 Section 704A of the Illinois Income Tax Act. The election
23 shall be made in the manner prescribed by the Department of
24 Revenue and once made shall be irrevocable.

25 (i) The Department of Revenue, in its discretion, may
26 require that the reports filed under this Section be submitted

1 electronically.

2 (j) The Department of Revenue shall have the authority to
3 adopt rules as are reasonable and necessary to implement the
4 provisions of this Section.

5 (Source: P.A. 102-700, eff. 4-19-22; 102-1125, eff. 2-3-23;
6 revised 4-5-23.)

7 Section 15. The Retailers' Occupation Tax Act is amended
8 by changing Sections 5m and 5n as follows:

9 (35 ILCS 120/5m)

10 Sec. 5m. Building materials exemption; REV Illinois
11 projects. Each retailer who makes a sale of building materials
12 that will be incorporated into a REV Illinois Project for
13 which a certificate of exemption has been issued by the
14 Department of Commerce and Economic Opportunity under Section
15 105 of the Reimagining Energy and Vehicles in Illinois Act may
16 deduct receipts from those sales when calculating any State or
17 local use and occupation taxes. No retailer who is eligible
18 for the deduction or credit under Section 5k of this Act
19 related to enterprise zones or Section 5l of this Act related
20 to High Impact Businesses for a given sale shall be eligible
21 for the deduction or credit authorized under this Section for
22 that same sale.

23 ~~To In addition to any other requirements to~~ document the
24 exemption allowed under this Section, the retailer must obtain

1 from the purchaser the purchaser's REV Illinois Building
2 Materials Exemption certificate number issued by the
3 Department and a certification that contains:-

4 (1) a statement that the building materials are being
5 purchased for incorporation into a REV Illinois Project;

6 (2) the location or address of the real estate into
7 which the building materials will be incorporated;

8 (3) the name and address of the construction
9 contractor or other entity;

10 (4) a description of the building materials being
11 purchased;

12 (5) the purchaser's REV Illinois Building Materials
13 Exemption Certificate number issued by the Department of
14 Revenue; and

15 (6) the purchaser's signature and date of purchase.

16 A construction contractor or other entity shall not make
17 tax-free purchases under this Section unless it has an active
18 REV Illinois Building Materials Exemption Certificate issued
19 by the Department at the time of purchase.

20 Upon request from the certified manufacturer, the
21 Department shall issue a REV Illinois Building Materials
22 Exemption Certificate for each construction contractor or
23 other entity identified by the certified manufacturer. The
24 Department shall make the REV Illinois Building Materials
25 Exemption Certificates available to each construction
26 contractor or other entity identified by the certified

1 manufacturer and to the certified manufacturer. The request
2 for REV Illinois Building Materials Exemption Certificates
3 under this Section must include the following information:

4 (1) the name and address of the construction
5 contractor or other entity;

6 (2) the name and location or address of the building
7 project site;

8 (3) the estimated amount of the exemption for each
9 construction contractor or other entity for which a
10 request for a REV Illinois Building Materials Exemption
11 Certificate is made, based on a stated estimated average
12 tax rate and the percentage of the contract that consists
13 of materials;

14 (4) the period of time over which supplies for the
15 project are expected to be purchased; and

16 (5) other reasonable information as the Department may
17 require, including but not limited to FEIN numbers, to
18 determine if the contractor or other entity, or any
19 partner, or a corporate officer, and in the case of a
20 limited liability company, any manager or member, of the
21 construction contractor or other entity, is or has been
22 the owner, a partner, a corporate officer, and in the case
23 of a limited liability company, a manager or member, of a
24 person that is in default for moneys due to the Department
25 under this Act or any other tax or fee Act administered by
26 the Department.

1 The Department shall issue the REV Illinois Building
2 Materials Exemption Certificates within 3 business days after
3 receipt of the request from the certified manufacturer. This
4 requirement does not apply in circumstances where the
5 Department, for reasonable cause, is unable to issue the
6 Exemption Certificate within 3 business days. The Department
7 may refuse to issue a REV Illinois Building Materials
8 Exemption Certificate if the owner, any partner, or a
9 corporate officer, and in the case of a limited liability
10 company, any manager or member, of the construction contractor
11 or other entity is or has been the owner, a partner, a
12 corporate officer, and in the case of a limited liability
13 company, a manager or member, of a person that is in default
14 for moneys due to the Department under this Act or any other
15 tax or fee Act administered by the Department.

16 The REV Illinois Building Materials Exemption Certificate
17 shall contain language stating that if the construction
18 contractor or other entity who is issued the Exemption
19 Certificate makes a tax-exempt purchase, as described in this
20 Section, that is not eligible for exemption under this Section
21 or allows another person to make a tax-exempt purchase, as
22 described in this Section, that is not eligible for exemption
23 under this Section, then, in addition to any tax or other
24 penalty imposed, the construction contractor or other entity
25 is subject to a penalty equal to the tax that would have been
26 paid by the retailer under this Act as well as any applicable

1 local retailers' occupation tax on the purchase that is not
2 eligible for the exemption.

3 The Department, in its discretion, may require that the
4 request for REV Illinois Building Materials Exemption
5 Certificates be submitted electronically. The Department may,
6 in its discretion, issue the Exemption Certificates
7 electronically. The REV Illinois Building Materials Exemption
8 Certificate number shall be designed in such a way that the
9 Department can identify from the unique number on the
10 Exemption Certificate issued to a given construction
11 contractor or other entity, the name of the REV Illinois
12 project site and the construction contractor or other entity
13 to whom the Exemption Certificate is issued. The REV Illinois
14 Building Materials Exemption Certificate shall contain an
15 expiration date, which shall be no more than 5 years after the
16 date of issuance. At the request of the certified
17 manufacturer, the Department may renew a REV Illinois Building
18 Materials Exemption Certificate. After the Department issues
19 Exemption Certificates for a given REV Illinois project site,
20 the certified manufacturer may notify the Department of
21 additional construction contractors or other entities that are
22 eligible for a REV Illinois Building Materials Exemption
23 Certificate. Upon receiving such a notification and subject to
24 the other provisions of this Section, the Department shall
25 issue a REV Illinois Building Materials Exemption Certificate
26 to each additional construction contractor or other entity so

1 identified. A certified manufacturer may ask the Department to
2 rescind a REV Illinois Building Materials Exemption
3 Certificate previously issued by the Department to a
4 construction contractor or other entity working at that
5 certified manufacturer's REV Illinois project site if that REV
6 Illinois Building Materials Exemption Certificate has not yet
7 expired. Upon receiving such a request and subject to the
8 other provisions of this Section, the Department shall issue
9 the rescission of the REV Illinois Building Materials
10 Exemption Certificate to the construction contractor or other
11 entity identified by the certified manufacturer and provide a
12 copy of the rescission to the construction contractor or other
13 entity and to the certified manufacturer.

14 If the Department of Revenue determines that a
15 construction contractor or other entity that was issued an
16 Exemption Certificate under this Section made a tax-exempt
17 purchase, as described in this Section, that was not eligible
18 for exemption under this Section or allowed another person to
19 make a tax-exempt purchase, as described in this Section, that
20 was not eligible for exemption under this Section, then, in
21 addition to any tax or other penalty imposed, the construction
22 contractor or other entity is subject to a penalty equal to the
23 tax that would have been paid by the retailer under this Act as
24 well as any applicable local retailers' occupation tax on the
25 purchase that was not eligible for the exemption.

26 This Section is exempt from the provisions of Section

1 2-70.

2 As used in this Section, "certified manufacturer" means a
3 person certified by the Department of Commerce and Economic
4 Opportunity under Section 105 of the Reimagining Energy and
5 Vehicles in Illinois Act.

6 (Source: P.A. 102-669, eff. 11-16-21; 102-1125, eff. 2-3-23.)

7 (35 ILCS 120/5n)

8 Sec. 5n. Building materials exemption; microchip and
9 semiconductor manufacturing. Each retailer who makes a sale of
10 building materials that will be incorporated into real estate
11 in a qualified facility for which a certificate of exemption
12 has been issued by the Department of Commerce and Economic
13 Opportunity under Section 110-105 of the Manufacturing
14 Illinois Chips for Real Opportunity (MICRO) Act, may deduct
15 receipts from such sales when calculating any State or local
16 use and occupation taxes. No retailer who is eligible for the
17 deduction or credit under Section 5k of this Act related to
18 enterprise zones or Section 5l of this Act related to High
19 Impact Businesses for a given sale shall be eligible for the
20 deduction or credit authorized under this Section for that
21 same sale.

22 ~~To In addition to any other requirements to~~ document the
23 exemption allowed under this Section, the retailer must obtain
24 from the purchaser the purchaser's exemption certificate
25 number issued by the Department and a certification that

1 contains: -

2 (1) a statement that the building materials are being
3 purchased for incorporation into real estate in a
4 qualified facility;

5 (2) the location or address of the real estate into
6 which the building materials will be incorporated;

7 (3) the name and address of the construction
8 contractor or other entity;

9 (4) a description of the building materials being
10 purchased;

11 (5) the purchaser's MICRO Illinois Building Materials
12 Exemption Certificate number issued by the Department of
13 Revenue; and

14 (6) the purchaser's signature and date of purchase.

15 A construction contractor or other entity shall not make
16 tax-free purchases unless it has an active exemption
17 certificate issued by the Department at the time of purchase.

18 Upon request from a person that has been certified by the
19 Department of Commerce and Economic Opportunity under the
20 Manufacturing Illinois Chips for Real Opportunity (MICRO) Act,
21 the Department shall issue a MICRO Illinois Building Materials
22 Exemption Certificate for each construction contractor or
23 other entity identified by the person so certified. The
24 Department shall make the MICRO Illinois Building Materials
25 Exemption Certificates available to each construction
26 contractor or other entity as well as the person certified

1 under the Manufacturing Illinois Chips for Real Opportunity
2 (MICRO) Act. The request for MICRO Illinois Building Materials
3 Exemption Certificates must include the following information:

4 (1) the name and address of the construction
5 contractor or other entity;

6 (2) the name and location or address of the building
7 project site;

8 (3) the estimated amount of the exemption for each
9 construction contractor or other entity for which a
10 request for an exemption certificate is made, based on a
11 stated estimated average tax rate and the percentage of
12 the contract that consists of materials;

13 (4) the period of time over which supplies for the
14 project are expected to be purchased; and

15 (5) other reasonable information as the Department may
16 require, including but not limited to FEIN numbers, to
17 determine if the contractor or other entity, or any
18 partner, or a corporate officer, and in the case of a
19 limited liability company, any manager or member, of the
20 construction contractor or other entity, is or has been
21 the owner, a partner, a corporate officer, and in the case
22 of a limited liability company, a manager or member, of a
23 person that is in default for moneys due to the Department
24 under this Act or any other tax or fee Act administered by
25 the Department.

26 The Department shall issue the exemption certificate

1 within 3 business days after receipt of request. This
2 requirement does not apply in circumstances where the
3 Department, for reasonable cause, is unable to issue the
4 exemption certificate within 3 business days. The Department
5 may refuse to issue an exemption certificate under this
6 Section if the owner, any partner, or a corporate officer, and
7 in the case of a limited liability company, any manager or
8 member, of the construction contractor or other entity is or
9 has been the owner, a partner, a corporate officer, and in the
10 case of a limited liability company, a manager or member, of a
11 person that is in default for moneys due to the Department
12 under this Act or any other tax or fee Act administered by the
13 Department.

14 The MICRO Illinois Building Materials Exemption
15 Certificate shall contain language stating that, if the
16 construction contractor or other entity who is issued the
17 exemption certificate makes a tax-exempt purchase, as
18 described in this Section, that is not eligible for exemption
19 under this Section or allows another person to make a
20 tax-exempt purchase, as described in this Section, that is not
21 eligible for exemption under this Section, then, in addition
22 to any tax or other penalty imposed, the construction
23 contractor or other entity is subject to a penalty equal to the
24 tax that would have been paid by the retailer under this Act as
25 well as any applicable local retailers' occupation tax on the
26 purchase that is not eligible for the exemption.

1 The Department, in its discretion, may require that the
2 request for a MICRO Illinois Exemption Certificate be
3 submitted electronically. The Department may, in its
4 discretion, issue the exemption certificates electronically.
5 The MICRO Illinois Building Materials Exemption Certificate
6 number shall be designed in such a way that the Department can
7 identify from the unique number on the exemption certificate
8 issued to a given construction contractor or other entity, the
9 name of the entity to whom the exemption certificate is
10 issued. The MICRO Illinois Building Materials Exemption
11 Certificate shall contain an expiration date, which shall be
12 no more than 5 years after the date of issuance. At the request
13 of the entity to whom the exemption certificate is issued, the
14 Department may renew an exemption certificate issued under
15 this Section. After the Department issues exemption
16 certificates under this Section, the certified entity may
17 notify the Department of additional construction contractors
18 or other entities eligible for an exemption certificate under
19 this Section. Upon such a notification and subject to the
20 other provisions of this Section, the Department shall issue
21 an exemption certificate to each additional qualified
22 construction contractor or other entity so identified. A
23 certified entity may notify the Department to rescind an
24 exemption certificate previously issued by the Department that
25 has not yet expired. Upon such a notification and subject to
26 the other provisions of this Section, the Department shall

1 rescind the exemption certificate.

2 If the Department of Revenue determines that a
3 construction contractor or other entity that was issued an
4 exemption certificate under this Section made a tax-exempt
5 purchase, as described in this Section, that was not eligible
6 for exemption under this Section or allowed another person to
7 make a tax-exempt purchase, as described in this Section, that
8 was not eligible for exemption under this Section, then, in
9 addition to any tax or other penalty imposed, the construction
10 contractor or other entity is subject to a penalty equal to the
11 tax that would have been paid by the retailer under this Act as
12 well as any applicable local retailers' occupation tax on the
13 purchase that was not eligible for the exemption.

14 This Section is exempt from the provisions of Section
15 2-70.

16 (Source: P.A. 102-700, eff. 4-19-22.)

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