



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB5346

Introduced 2/5/2010, by Rep. Linda Chapa LaVia

#### SYNOPSIS AS INTRODUCED:

65 ILCS 115/10-10  
65 ILCS 115/10-10.1 new

Amends the River Edge Redevelopment Zone Act. Provides that a public utility may receive a deduction against income subject to State taxes for a contribution to a designated zone organization for costs of installing, replacing, modifying, removing, improving, or maintaining any substation facility located within the River Edge Redevelopment Zone if the project for which the contribution is made has been specifically approved by the designating municipality and by the Department of Commerce and Economic Opportunity. Provides that a public utility may amortize the cost of installing, replacing, modifying, improving, removing, or maintaining its facilities located within the River Edge Redevelopment Zone across all customers in the State if the project for which the contribution is made has been specifically approved by the designating municipality and by the Department of Commerce and Economic Opportunity.

LRB096 19768 RLJ 35205 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The River Edge Redevelopment Zone Act is amended  
5 by changing Section 10-10 and by adding Section 10-10.1 as  
6 follows:

7 (65 ILCS 115/10-10)

8 Sec. 10-10. Income tax deduction.

9 (a) A business entity may receive a deduction against  
10 income subject to State taxes for a contribution to a  
11 designated zone organization if the project for which the  
12 contribution is made has been specifically approved by the  
13 designating municipality and by the Department.

14 (a-5) A public utility may receive a deduction against  
15 income subject to State taxes for a contribution to a  
16 designated zone organization for costs of installing,  
17 replacing, modifying, removing, improving, or maintaining any  
18 substation facility located within the River Edge  
19 Redevelopment Zone if the project for which the contribution is  
20 made has been specifically approved by the designating  
21 municipality and by the Department.

22 (b) Any designated zone organization seeking to have a  
23 project approved for contribution must submit an application to

1 the Department describing the nature and benefit of the project  
2 and its potential contributors. The application must address  
3 how the following criteria will be met:

4 (1) The project must contribute to the self-help  
5 efforts of the residents of the area involved.

6 (2) The project must involve the residents of the area  
7 in planning and implementing the project.

8 (3) The project must lack sufficient resources.

9 (4) The designated zone organization must be fiscally  
10 responsible for the project.

11 (c) The project must enhance the River Edge Redevelopment  
12 Zone in one of the following ways:

13 (1) by creating permanent jobs;

14 (2) by physically improving the housing stock;

15 (3) by stimulating neighborhood business activity; or

16 (4) by preventing crime.

17 (d) If the designated zone organization demonstrates its  
18 ability to meet the criteria in subsection (b), and the project  
19 will enhance the neighborhood in one of the ways listed in  
20 subsection (c), the Department shall approve the  
21 organization's proposed project and specify the amount of  
22 contributions it is eligible to receive for such project.  
23 Comments from State elected officials and municipal officials  
24 of the units of local government in which all or part of the  
25 river edge redevelopment zone is located, or in which the  
26 project is proposed to be located, shall be solicited by the

1 Department in making such decision.

2 (e) Within 45 days of the receipt of an application, the  
3 Department shall give notice to the applicant as to whether the  
4 application has been approved or disapproved. If the Department  
5 disapproves the application, it shall specify the reasons for  
6 this decision and allow 60 days for the applicant to amend and  
7 resubmit its application. The Department shall provide  
8 assistance upon request to applicants. Resubmitted  
9 applications shall receive the Department's approval or  
10 disapproval within 30 days of resubmission. Those resubmitted  
11 applications satisfying initial Department objectives shall be  
12 approved unless reasonable circumstances warrant disapproval.

13 (f) On an annual basis, the designated zone organization  
14 shall furnish a statement to the Department on the programmatic  
15 and financial status of any approved project and an audited  
16 financial statement of the project.

17 (g) For any project which is approved and for which there  
18 is a specified amount of contributions which the designated  
19 zone organization may receive as provided in subsection (d) of  
20 this Section, the designated zone organization shall provide to  
21 the Department any information necessary to determine the  
22 eligibility of a contribution to the project for a deduction  
23 pursuant to subsection (b) (2) (N) of Section 203 of the Illinois  
24 Income Tax Act. The Department shall certify to the Department  
25 of Revenue the taxpayers eligible for and the amounts of  
26 contributions which those taxpayers may claim as a deduction

1 pursuant to subsection (b) (2) (N) of Section 203 of the Illinois  
2 Income Tax Act. The total of all actual contributions approved  
3 by the Department for deductions pursuant to subsection  
4 (b) (2) (N) of Section 203 of the Illinois Income Tax Act shall  
5 not exceed \$15,400,000 in any one calendar year.

6 (Source: P.A. 94-1021, eff. 7-12-06.)

7 (65 ILCS 115/10-10.1 new)

8 Sec. 10-10.1. Amortization; facilities. A public utility  
9 may amortize the cost of installing, replacing, modifying,  
10 improving, removing, or maintaining its facilities located  
11 within the River Edge Redevelopment Zone across all customers  
12 in the State if the project for which the contribution is made  
13 has been specifically approved by the designating municipality  
14 and by the Department.