

1 relocations should be encouraged through the use of
2 incentives that encourage long-term commitments by business
3 and industry to Illinois and that would otherwise not be
4 available through existing incentives programs.

5 Section 10. Definitions. As used in this Act:

6 "Corporate headquarters" means the building or buildings
7 that the principal executive officers of an eligible business
8 have designated as their principal offices and that has at
9 least 250 employees who are principally located in that
10 building or those buildings. The principal executive
11 officers may include, by way of example and not of
12 limitation, the chief executive officer, the chief operating
13 officer, and other senior officer-level employees of the
14 eligible business. "Corporate headquarters" may also include
15 ancillary transportation facilities owned or leased by the
16 eligible business whether or not physically adjacent to the
17 principal office building or buildings used by the principal
18 executive officers. The ancillary transportation facilities
19 may include, but are not limited to, airplane hangars,
20 helipads or heliports, fixed base operations, maintenance
21 facilities, and other aviation-related facilities. All
22 employees of the eligible business may count toward the
23 satisfaction of the numeric requirement of this definition,
24 including but not limited to support staff and other
25 personnel who work in or from the office building or
26 buildings or transportation facilities.

27 "Department" means the Department of Commerce and
28 Community Affairs.

29 "Director" means the Director of Commerce and Community
30 Affairs.

31 "Eligible business" means a business that is: (i) engaged
32 in interstate or intrastate commerce; (ii) maintains its
33 corporate headquarters in a state other than Illinois as of

1 the effective date of this Act; (iii) had annual worldwide
2 revenues of at least \$25,000,000,000 for the year immediately
3 preceding its application to the Department for the benefits
4 authorized by this Act; and (iv) is prepared to commit
5 contractually to relocating its corporate headquarters to the
6 State of Illinois in consideration of the benefits authorized
7 by this Act.

8 "Fund" means the Corporate Headquarters Relocation
9 Assistance Fund.

10 "Qualifying project" means the relocation of the
11 corporate headquarters of an eligible business from a
12 location outside of Illinois to a location within Illinois,
13 whether to an existing structure or otherwise. When the
14 relocation involves an initial interim facility within
15 Illinois and a subsequent further relocation within 5 years
16 after the effective date of this Act to a permanent facility
17 also within Illinois, all those activities collectively
18 constitute a "qualifying project" under this Act.

19 "Relocation costs" means the expenses incurred by an
20 eligible business for a qualifying project, including, but
21 not limited to, the following: moving costs and related
22 expenses; purchase of new or replacement equipment; outside
23 professional fees and commissions; premiums for property and
24 casualty insurance coverage; capital investment costs;
25 financing costs; property assembly and development costs,
26 including, but not limited to, the purchase, lease, and
27 construction of equipment, buildings, and land,
28 infrastructure improvements and site development costs,
29 leasehold improvements costs, rehabilitation costs, and costs
30 of studies, surveys, development of plans, and professional
31 services costs such as architectural, engineering, legal,
32 financial, planning, or other related services; "relocation
33 costs", however, does not include moving costs associated
34 with the relocation of the personal residences of the

1 employees of the eligible business.

2 Section 15. Powers of the Department. The Department,
3 in addition to the powers granted under the Civil
4 Administrative Code of Illinois, has all the powers necessary
5 and convenient to carry out and effectuate the purposes and
6 provisions of this Act, including, but not limited to, the
7 power to:

8 (1) promulgate rules and establish procedures
9 deemed necessary and appropriate for the administration
10 of this Act;

11 (2) negotiate and execute any term, agreement, or
12 other document with any person, entity, or body politic
13 necessary or appropriate to accomplish the purposes of
14 this Act;

15 (3) fix, determine, charge, and collect premiums,
16 fees, charges, costs, and expenses from eligible
17 businesses, including, without limitation, application
18 fees, commitment fees, program fees, financing charges,
19 or publication fees as deemed appropriate to pay expenses
20 necessary or incident to the administration of the
21 Department's activities and duties under this Act,
22 including the preparation and enforcement of any
23 agreement, or for consultation services, legal services,
24 or other costs;

25 (4) require eligible businesses, upon written
26 request, to issue any necessary authorization to the
27 appropriate federal, state, or local authority for the
28 release of information concerning a qualifying project;
29 and

30 (5) take whatever actions are necessary or
31 appropriate to protect the State's interest in the event
32 of bankruptcy, default, foreclosure, or noncompliance
33 with the terms and conditions of any agreement entered

1 into pursuant to this Act, including the power to sell,
2 dispose, lease, or rent, upon terms and conditions
3 determined by the Director to be appropriate, real or
4 personal property that the Department may receive as a
5 result of these actions.

6 Section 20. Reimbursement for relocation costs. Upon
7 receipt and approval of an application from an eligible
8 business proposing a qualifying project, the Department may
9 enter into an agreement with the eligible business wherein
10 the Department agrees to reimburse the eligible business for
11 its relocation costs subject to the following terms,
12 conditions, and limitations:

13 (1) The eligible business must apply to the
14 Department for reimbursement of its relocation costs.

15 (2) The application submitted by the eligible
16 business must identify with specificity the relocation
17 costs for which reimbursement is sought, and the eligible
18 business must provide the Department with all supporting
19 documentation as requested by the Department. The
20 eligible business may amend its application for
21 reimbursement from time to time in order to cover
22 additional relocation costs incurred after the submission
23 of an initial application.

24 (3) The Department reserves the right to approve or
25 disapprove specific items and categories of relocation
26 costs.

27 (4) The eligible business must in fact relocate its
28 corporate headquarters to the State of Illinois within a
29 time frame specified by the Department.

30 (5) The eligible business may receive reimbursement
31 for not greater than 50% of its documented relocation
32 costs.

33 (6) The agreement between the Department and the

1 eligible business must provide that reimbursement will be
2 provided by means of one or more grants that shall be
3 issued annually by the Department for a period not to
4 exceed 10 years or until 50% of the eligible business'
5 relocation costs are reimbursed, whichever occurs first.

6 (7) The amount of the annual grant that may be
7 issued to the eligible business by the Department may not
8 exceed 50% of the total amount withheld from employees of
9 the eligible business employed at the corporate
10 headquarters during the preceding calendar year under
11 Article 7 of the Illinois Income Tax Act.

12 (8) In applying to the Department for
13 reimbursement, the eligible business must certify the
14 total amount withheld during the preceding calendar year
15 under Article 7 of the Illinois Income Tax Act from its
16 employees employed at the corporate headquarters.

17 (9) The Department may issue grants from the
18 Corporate Headquarters Relocation Assistance Fund to
19 eligible businesses for reimbursement of relocation costs
20 as provided by this Act.

21 Section 25. Review of application for reimbursement. No
22 eligible business is eligible for reimbursement of relocation
23 costs under this Act unless the Department determines at the
24 time of the eligible business' initial application that, if
25 not for that reimbursement, the eligible business would not
26 have determined to relocate its corporate headquarters to
27 Illinois. The eligible business may satisfy this requirement
28 by, among other means, presenting evidence to the Department
29 that the eligible business has or had multi-state location
30 options and could reasonably and efficiently have located its
31 corporate headquarters to a state other than Illinois; by a
32 demonstration that at least one other state is or was being
33 considered for the location of its corporate headquarters; or

1 through evidence that receipt of the benefits authorized by
2 this Act is an important factor in the eligible business'
3 decision to locate its corporate headquarters to Illinois,
4 and that without that assistance, the eligible business
5 likely would not establish its corporate headquarters in
6 Illinois.

7 Section 30. Transfers to Corporate Headquarters
8 Relocation Assistance Fund. Upon receipt of a certification
9 by the eligible business of the aggregate amount withheld
10 from its employees employed at the corporate headquarters
11 during the preceding calendar year under Article 7 of the
12 Illinois Income Tax Act, the Department shall then certify to
13 the State Treasurer that 50% of that amount is eligible to be
14 transferred from the General Revenue Fund to the Corporate
15 Headquarters Relocation Assistance Fund. This amount shall
16 be referred to as the "certified transfer amount". Upon
17 receipt the certification from the Department, the Treasurer
18 shall transfer the certified transfer amount within 30 days
19 from the General Revenue Fund to the Corporate Headquarters
20 Relocation Assistance Fund.

21 Section 35. Corporate Headquarters Relocation Assistance
22 Fund; creation. The Corporate Headquarters Relocation
23 Assistance Fund is created as a separate fund within the
24 State treasury. From the Fund and pursuant to the provisions
25 of this Act, the Department may issue grants to reimburse
26 eligible businesses for relocation costs incurred in
27 connection with the relocation of a corporate headquarters to
28 the State of Illinois.

29 Section 40. Extended duration of tax credits; Economic
30 Development for a Growing Economy Tax Credit Act. Upon
31 receipt and approval of an application from an eligible

1 business proposing a qualifying project, the Department may
2 certify the eligible business as qualifying for the currently
3 available 10 years plus an additional 5 years of tax credits
4 under the Economic Development for a Growing Economy Tax
5 Credit Act if (i) the Department first determines the
6 eligible business is in compliance with the requirements of
7 the Economic Development for a Growing Economy Tax Credit Act
8 and (ii) the eligible business in fact undertakes a
9 qualifying project within a time frame specified by the
10 Department.

11 Section 45. Other incentives. Nothing in this Act
12 precludes an eligible business with respect to a qualifying
13 project from applying for or receiving any other federal,
14 State, or local assistance or incentives in connection with
15 the relocation of its corporate headquarters to the State of
16 Illinois.

17 Section 905. The State Finance Act is amended by adding
18 Section 5.545 as follows:

19 (30 ILCS 105/5.545 new)

20 Sec. 5.545. The Corporate Headquarters Relocation
21 Assistance Fund.

22 Section 910. The Illinois Income Tax Act is amended by
23 changing Section 211 as follows:

24 (35 ILCS 5/211)

25 Sec. 211. Economic Development for a Growing Economy Tax
26 Credit. For tax years beginning on or after January 1, 1999,
27 a Taxpayer who has entered an Agreement under the Economic
28 Development for a Growing Economy Tax Credit Act is entitled
29 to a credit against the taxes imposed under subsections (a)

1 and (b) of Section 201 of this Act in an amount to be
 2 determined in the Agreement. If the Taxpayer is a
 3 partnership or Subchapter S corporation, the credit shall be
 4 allowed to the partners or shareholders in accordance with
 5 the determination of income and distributive share of income
 6 under Sections 702 and 704 and subchapter S of the Internal
 7 Revenue Code. The Department, in cooperation with the
 8 Department of Commerce and Community Affairs, shall prescribe
 9 rules to enforce and administer the provisions of this
 10 Section. This Section is exempt from the provisions of
 11 Section 250 of this Act.

12 The credit shall be subject to the conditions set forth
 13 in the Agreement and the following limitations:

14 (1) The tax credit shall not exceed the Incremental
 15 Income Tax (as defined in Section 5-5 of the Economic
 16 Development for a Growing Economy Tax Credit Act) with
 17 respect to the project.

18 (2) The amount of the credit allowed during the tax
 19 year plus the sum of all amounts allowed in prior years
 20 shall not exceed 100% of the aggregate amount expended by
 21 the Taxpayer during all prior tax years on approved costs
 22 defined by Agreement.

23 (3) The amount of the credit shall be determined on
 24 an annual basis; however, the credit against any State
 25 tax liability may not be used in more than extend--beyond
 26 10 taxable years, except that an eligible business
 27 certified by the Department of Commerce and Community
 28 Affairs under the Corporate Headquarters Relocation Act
 29 may not use the credit against any State tax liability
 30 for more than 15 taxable years after-the-project-is-first
 31 approved-and-may-not-extend-beyond-the-expiration-of--the
 32 Agreement.

33 (4) The credit may not exceed the amount of taxes
 34 imposed pursuant to subsections (a) and (b) of Section

1 201 of this Act. Any credit that is unused in the year
2 the credit is computed may be carried forward and applied
3 to the tax liability of the 5 taxable years following the
4 excess credit year. The credit shall be applied to the
5 earliest year for which there is a tax liability. If
6 there are credits from more than one tax year that are
7 available to offset a liability, the earlier credit shall
8 be applied first.

9 (5) No credit shall be allowed with respect to any
10 Agreement for any taxable year ending after the
11 Noncompliance Date. Upon receiving notification by the
12 Department of Commerce and Community Affairs of the
13 noncompliance of a Taxpayer with an Agreement, the
14 Department shall notify the Taxpayer that no credit is
15 allowed with respect to that Agreement for any taxable
16 year ending after the Noncompliance Date, as stated in
17 such notification. If any credit has been allowed with
18 respect to an Agreement for a taxable year ending after
19 the Noncompliance Date for that Agreement, any refund
20 paid to the Taxpayer for that taxable year shall, to the
21 extent of that credit allowed, be an erroneous refund
22 within the meaning of Section 912 of this Act.

23 (6) For purposes of this Section, the terms
24 "Agreement", "Incremental Income Tax", and
25 "Noncompliance Date" have the same meaning as when used
26 in the Economic Development for a Growing Economy Tax
27 Credit Act.

28 (Source: P.A. 91-476, eff. 8-11-99.)

29 Section 915. The Economic Development for a Growing
30 Economy Tax Credit Act is amended by changing Sections 5-35
31 and 5-45 as follows:

32 (35 ILCS 10/5-35)

1 Sec. 5-35. Relocation of jobs in Illinois. A taxpayer
2 is not entitled to claim the credit provided by this Act with
3 respect to any jobs that the taxpayer relocates from one
4 site in Illinois to another site in Illinois. A taxpayer with
5 respect to a qualifying project certified under the Corporate
6 Headquarters Relocation Act, however, is not subject to the
7 requirements of this Section and is not considered an
8 applicant for purposes of this Act. Moreover, any full-time
9 employee of an eligible business relocated to Illinois in
10 connection with that qualifying project is deemed to be a new
11 employee for purposes of this Act. Determinations under this
12 Section shall be made by the Department.

13 (Source: P.A. 91-476, eff. 8-11-99.)

14 (35 ILCS 10/5-45)

15 Sec. 5-45. Amount and duration of the credit. The
16 Department shall determine the amount and duration of the
17 credit awarded under this Act. The duration of the credit may
18 not exceed 10 taxable years, except that the duration of the
19 credit may not exceed 15 taxable years for eligible
20 businesses that qualify under the Corporate Headquarters
21 Relocation Act. The credit may be stated as a percentage of
22 the Incremental Income Tax attributable to the applicant's
23 project and may include a fixed dollar limitation.

24 (Source: P.A. 91-476, eff. 8-11-99.)

25 Section 920. The Property Tax Code is amended by
26 changing Section 18-165 as follows:

27 (35 ILCS 200/18-165)

28 Sec. 18-165. Abatement of taxes.

29 (a) Any taxing district, upon a majority vote of its
30 governing authority, may, after the determination of the
31 assessed valuation of its property, order the clerk of that

1 county to abate any portion of its taxes on the following
2 types of property:

3 (1) Commercial and industrial.

4 (A) The property of any commercial or
5 industrial firm, including but not limited to the
6 property of any firm that is used for collecting,
7 separating, storing, or processing recyclable
8 materials, locating within the taxing district
9 during the immediately preceding year from another
10 state, territory, or country, or having been newly
11 created within this State during the immediately
12 preceding year, or expanding an existing facility.
13 The abatement shall not exceed a period of 10 years
14 and the aggregate amount of abated taxes for all
15 taxing districts combined shall not exceed
16 \$4,000,000; or

17 (B) The property of any commercial or
18 industrial development of at least 500 acres having
19 been created within the taxing district. The
20 abatement shall not exceed a period of 20 years and
21 the aggregate amount of abated taxes for all taxing
22 districts combined shall not exceed \$12,000,000.

23 (C) The property of any commercial or
24 industrial firm currently located in the taxing
25 district that expands a facility or its number of
26 employees. The abatement shall not exceed a period
27 of 10 years and the aggregate amount of abated taxes
28 for all taxing districts combined shall not exceed
29 \$4,000,000. The abatement period may be renewed at
30 the option of the taxing districts.

31 (2) Horse racing. Any property in the taxing
32 district which is used for the racing of horses and upon
33 which capital improvements consisting of expansion,
34 improvement or replacement of existing facilities have

1 been made since July 1, 1987. The combined abatements
2 for such property from all taxing districts in any county
3 shall not exceed \$5,000,000 annually and shall not exceed
4 a period of 10 years.

5 (3) Auto racing. Any property designed exclusively
6 for the racing of motor vehicles. Such abatement shall
7 not exceed a period of 10 years.

8 (4) Academic or research institute. The property
9 of any academic or research institute in the taxing
10 district that (i) is an exempt organization under
11 paragraph (3) of Section 501(c) of the Internal Revenue
12 Code, (ii) operates for the benefit of the public by
13 actually and exclusively performing scientific research
14 and making the results of the research available to the
15 interested public on a non-discriminatory basis, and
16 (iii) employs more than 100 employees. An abatement
17 granted under this paragraph shall be for at least 15
18 years and the aggregate amount of abated taxes for all
19 taxing districts combined shall not exceed \$5,000,000.

20 (5) Housing for older persons. Any property in the
21 taxing district that is devoted exclusively to affordable
22 housing for older households. For purposes of this
23 paragraph, "older households" means those households (i)
24 living in housing provided under any State or federal
25 program that the Department of Human Rights determines is
26 specifically designed and operated to assist elderly
27 persons and is solely occupied by persons 55 years of age
28 or older and (ii) whose annual income does not exceed 80%
29 of the area gross median income, adjusted for family
30 size, as such gross income and median income are
31 determined from time to time by the United States
32 Department of Housing and Urban Development. The
33 abatement shall not exceed a period of 15 years, and the
34 aggregate amount of abated taxes for all taxing districts

1 shall not exceed \$3,000,000.

2 (6) Historical society. For assessment years 1998
3 through 2000, the property of an historical society
4 qualifying as an exempt organization under Section
5 501(c)(3) of the federal Internal Revenue Code.

6 (7) Recreational facilities. Any property in the
7 taxing district (i) that is used for a municipal airport,
8 (ii) that is subject to a leasehold assessment under
9 Section 9-195 of this Code and (iii) which is sublet from
10 a park district that is leasing the property from a
11 municipality, but only if the property is used
12 exclusively for recreational facilities or for parking
13 lots used exclusively for those facilities. The
14 abatement shall not exceed a period of 10 years.

15 (8) Relocated corporate headquarters. If approval
16 occurs within 5 years after the effective date of this
17 amendatory Act of the 92nd General Assembly, any property
18 or a portion of any property in a taxing district that is
19 used by an eligible business for a corporate headquarters
20 as defined in the Corporate Headquarters Relocation Act.
21 Instead of an abatement under this paragraph (8), a
22 taxing district may enter into an agreement with an
23 eligible business to make annual payments to that
24 eligible business in an amount not to exceed the property
25 taxes paid directly or indirectly by that eligible
26 business for premises occupied pursuant to a written
27 lease and may make those payments without the need for an
28 annual appropriation. Any abatement ordered or agreement
29 entered into under this paragraph (8) may be effective
30 for the entire term specified by the taxing district,
31 except the term of the abatement or annual payments may
32 not exceed 20 years.

33 (b) Upon a majority vote of its governing authority, any
34 municipality may, after the determination of the assessed

1 valuation of its property, order the county clerk to abate
2 any portion of its taxes on any property that is located
3 within the corporate limits of the municipality in accordance
4 with Section 8-3-18 of the Illinois Municipal Code.

5 (Source: P.A. 90-46, eff. 7-3-97; 90-415, eff. 8-15-97;
6 90-568, eff. 1-1-99; 90-655, eff. 7-30-98; 91-644, eff.
7 8-20-99; 91-885, eff. 7-6-00.)

8 Section 995. Severability. The provisions of this Act
9 are severable under Section 1.31 of the Statute on Statutes.

10 Section 999. Effective date. This Act takes effect upon
11 becoming law."