LRB9211061SMdv

1

AN ACT concerning enterprise zones.

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

Section 5. The Illinois Enterprise Zone Act is amended
by changing Section 5.3 as follows:

6 (20 ILCS 655/5.3) (from Ch. 67 1/2, par. 608)

7 Sec. 5.3. Certification of Enterprise Zones; Effective8 date.

(a) Approval of designated Enterprise Zones shall be 9 made by the Department by certification of the designating 10 ordinance. The Department shall promptly issue a certificate 11 12 for each Enterprise Zone upon its approval. The certificate 13 shall be signed by the Director of the Department, shall make specific reference to the designating ordinance, which shall 14 15 be attached thereto, and shall be filed in the office of the 16 Secretary of State. A certified copy of the Enterprise Zone Certificate, or a duplicate original thereof, shall be 17 18 recorded in the office of recorder of deeds of the county in 19 which the Enterprise Zone lies.

20 (b) An Enterprise Zone shall be effective upon its 21 certification. The Department shall transmit a copy of the 22 certification to the Department of Revenue, and to the 23 designating municipality or county.

Upon certification of an Enterprise Zone, the terms and provisions of the designating ordinance shall be in effect, and may not be amended or repealed except in accordance with Section 5.4.

(c) An Enterprise Zone shall be in effect for 30
calendar years, or for a lesser number of years specified in
the certified designating ordinance. Enterprise Zones shall
terminate at midnight of December 31 of the final calendar

year of the certified term, except as provided in Section 5.4. The--Whiteside--County/Carroll--County-Enterprise-Zone, however,-solely-with-respect-to-industrial-purposes-and-uses, shall-be-in-effect-for-30-calendar--years--or--for--a--lesser number--of--years--specified--in--the--certified--designating ordinance.

-2-

7 (d) No more than 12 Enterprise Zones may be certified by 8 the Department in calendar year 1984, no more than 12 9 Enterprise Zones may be certified by the Department in calendar year 1985, no more than 13 Enterprise Zones may be 10 11 certified by the Department in calendar year 1986, no more than 15 Enterprise Zones may be certified by the Department 12 in calendar year 1987, and no more than 20 Enterprise Zones 13 may be certified by the Department in calendar year 1990. In 14 15 other calendar years, no more than 13 Enterprise Zones may be 16 certified by the Department. The Department may also designate up to 8 additional Enterprise Zones outside the 17 regular application cycle if warranted by the 18 extreme 19 economic circumstances as determined by the Department. The Department may also designate one additional Enterprise 20 Zone 21 outside the regular application cycle if an aircraft 22 manufacturer agrees to locate an aircraft manufacturing 23 facility in the proposed Enterprise Zone. Notwithstanding any other provision of this Act, no more than 89 Enterprise Zones 24 25 may be certified by the Department for the 10 calendar years commencing with 1983. The 7 additional Enterprise Zones 26 authorized by Public Act 86-15 27 shall not lie within municipalities or unincorporated areas of counties that abut 28 29 or are contiguous to Enterprise Zones certified pursuant to 30 this Section prior to June 30, 1989. The 7 additional Enterprise Zones (excluding the additional Enterprise Zone 31 32 which may be designated outside the regular application cycle) authorized by Public Act 86-1030 shall not lie within 33 municipalities or unincorporated areas of counties that abut 34

1 or are contiguous to Enterprise Zones certified pursuant to 2 this Section prior to February 28, 1990. In any calendar year, the Department may not certify more than 3 Zones 3 4 located within the same municipality. The Department may certify Enterprise Zones in each of the 10 calendar years 5 6 commencing with 1983. The Department may not certify more 7 than a total of 18 Enterprise Zones located within the same 8 county (whether within municipalities or within 9 unincorporated territory) for the 10 calendar years commencing with 1983. Thereafter, the Department may not 10 11 certify any additional Enterprise Zones, but may amend and rescind certifications of existing Enterprise Zones in 12 accordance with Section 5.4. 13

(e) Notwithstanding any other provision of law, if 14 (i) the county board of any county in which a current military 15 16 base is located, in part or in whole, or in which a military base that has been closed within 20 years of the effective 17 date of this amendatory Act of 1998 is located, in part or in 18 19 whole, adopts a designating ordinance in accordance with Section 5 of this Act to designate the military base in that 20 21 county as an enterprise zone and (ii) the property otherwise meets the qualifications for an enterprise zone as prescribed 22 23 in Section 4 of this Act, then the Department may certify the designating ordinance or ordinances, as the case may be. 24 (Source: P.A. 91-567, eff. 8-14-99; 91-937, eff. 1-11-01; 25 92-16, eff. 6-28-01.) 26

27 Section 10. The Public Utilities Act is amended by 28 changing Section 9-222.1 as follows:

(220 ILCS 5/9-222.1) (from Ch. 111 2/3, par. 9-222.1)
Sec. 9-222.1. A business enterprise which is located
within an area designated by a county or municipality as an
enterprise zone pursuant to the Illinois Enterprise Zone Act

-3-

SB1542 Engrossed

1 or located in a federally designated Foreign Trade Zone or 2 Sub-Zone shall be exempt from the additional charges added to the business enterprise's utility bills as a pass-on of 3 4 municipal and State utility taxes under Sections 9-221 and 9-222 of this Act, to the extent such charges are exempted by 5 ordinance adopted in accordance with paragraph (e) of Section 6 7 8-11-2 of the Illinois Municipal Code in the case of 8 municipal utility taxes, and to the extent such charges are exempted by the percentage specified by the Department of 9 Commerce and Community Affairs in the case of State utility 10 11 taxes, provided such business enterprise meets the following 12 criteria:

(1) it either (i) makes investments which cause the creation of a minimum of 200 full-time equivalent jobs in Illinois; (ii) makes investments of at least \$175,000,000 which cause the creation of a minimum of 150 full-time equivalent jobs in Illinois; or (iii) makes investments which cause the retention of a minimum of 1,000 full-time jobs in Illinois; and

(2) it is either (i) located in an Enterprise Zone
established pursuant to the Illinois Enterprise Zone Act
or (ii) it is located in a federally designated Foreign
Trade Zone or Sub-Zone and is designated a High Impact
Business by the Department of Commerce and Community
Affairs; and

26 (3) it is certified by the Department of Commerce
27 and Community Affairs as complying with the requirements
28 specified in clauses (1) and (2) of this Section.

The Department of Commerce and Community Affairs shall determine the period during which such exemption from the charges imposed under Section 9-222 is in effect which shall not exceed <u>30</u> 20 years <u>or the certified term of the</u> <u>enterprise zone</u>, whichever period is shorter,-except-in-the case-of-the-Whiteside-County/Carroll-County-Enterprise--Zone,

-4-

where\_--solely--with-respect-to-industrial-purposes-and-uses\_
the-exemption-period-shall-not-exceed--30--years\_--and--shall
specify--the--percentage--of-the-exemption-from-State-utility
taxes.

5 The Department of Commerce and Community Affairs shall б have the power to promulgate rules and regulations to carry 7 out the provisions of this Section including procedures for complying with the requirements specified in clauses (1) and 8 9 (2) of this Section and procedures for applying for the exemptions authorized under this Section; to define the 10 11 amounts and types of eligible investments which business enterprises must make in order to receive State utility tax 12 exemptions pursuant to Sections 9-222 and 9-222.1 of this 13 Act; to approve such utility tax exemptions for business 14 15 enterprises whose investments are not yet placed in service; 16 and to require that business enterprises granted tax exemptions repay the exempted tax should the 17 business enterprise fail to comply with the terms and conditions of 18 19 the certification. However, no business enterprise shall be required, as a condition for certification under clause (3) 20 21 of this Section, to attest that its decision to invest under clause (1) of this Section and to locate under clause (2) of 22 23 this Section is predicated upon the availability of the exemptions authorized by this Section. 24

25 A business enterprise shall be exempt, in whole or in part, from the pass-on charges of municipal utility taxes 26 imposed under Section 9-221, only if it meets the criteria 27 specified in clauses (1) through (3) of this Section and the 28 29 municipality has adopted an ordinance authorizing the 30 exemption under paragraph (e) of Section 8-11-2 of the Illinois Municipal Code. Upon certification of the business 31 32 enterprises by the Department of Commerce and Community Affairs, the Department of Commerce and Community Affairs 33 shall notify the Department of Revenue of such certification. 34

## SB1542 Engrossed

1 The Department of Revenue shall notify the public utilities 2 of the exemption status of business enterprises from the 3 pass-on charges of State and municipal utility taxes. Such 4 exemption status shall be effective within 3 months after 5 certification of the business enterprise. 6 (Source: P.A. 90-16, eff. 6-16-97; 91-567, eff. 8-14-99.)