

Quincy & Adams County, Illinois EDGE TAX CREDITS



OVERVIEW

The EDGE program is designed to offer a special tax incentive to encourage companies to locate or expand operations in Illinois when there is active consideration of a competing location in another state. The program can provide tax credits to qualifying companies, equal to the amount of state income taxes withheld from the salaries of employees in the newly created jobs. The non-refundable credits can be used against corporate income taxes to be paid over a period not to exceed 10 years.

To qualify, a company must provide documentation that attests to the fact of competition among a competing state, and agree to make an investment of at least \$5 million in capital improvements and create a minimum of 25 new full time jobs in Illinois. For a company with 100 or fewer employees, the company must agree to make a capital investment of \$1 million and create at least 5 new full time jobs.

CONTACT

Additional information and application forms may be obtained from:

Illinois Department of Commerce & Economic Opportunity
Bureau of Business Development
500 East Monroe
Springfield, IL 62701
217-524-8449

PROGRAM DESCRIPTION

The Illinois EDGE program is administered by the Illinois Department of Commerce and Economic Opportunity. DCEO's review will be based on written applications submitted by interested firms. The amount of the tax credit is calculated on a case-by-case basis. The tax credits could be as high as the amount of tax receipts collected from the Illinois income taxes paid by newly hired and/or retained employees of the firm as pertaining to the project.

As a tax credit, the EDGE program allows a firm to reduce the costs of doing business in Illinois when compared with similar costs in other states where it could have located its operation. The credits would be available to a company for up to a total of 10 years for each project.

While each annual tax credit amount cannot be larger than the company's state income tax liability (the income tax credits would not be refundable), the credit can be carried forward up to five years. Each company receiving competitive credits would have to maintain the jobs created and/or retained along with the capital investment concurrent with the period in which it claims the credits.

ELIGIBILITY

The development project must add to the export of potential of Illinois; for example, manufacturing or services exported out of state would be acceptable, but not retail trade and personal services.

REQUIREMENTS

The project must be an expansion of an existing operation or a new location. Company relocations within Illinois are eligible for consideration only if there is a documented and substantiated business reason why their current location is inadequate.

The applicant must demonstrate that if not for the credit, the project would not occur in Illinois by providing documentation evidencing that:

1. The applicant has multi-state location options and could reasonably and efficiently locate outside of the state; or
2. At least one other state is being considered for the project; or
3. Receipt of the credit is a major factor in the applicant's decision and that, without the credit, the applicant likely would not create and/or retain jobs in Illinois; or
4. The credit is essential to the applicant's decision to create and/or retain jobs in the state.

The cost differential should be identified, using the best available data, in the projected costs for the applicant's project compared to the projected costs in the competing state, including the impact of the competing state's incentive programs.

Great River Economic Development Foundation

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