

# Quincy & Adams County, Illinois

## ENTERPRISE ZONE



### OVERVIEW

The Quincy & Adams County Illinois Enterprise Zone was established in 1984 under state legislation. Incentives in the original territory of the Zone apply to industrial, commercial or residential projects. Within areas added in 1995, Zone incentives apply only to parcels zoned manufacturing or used for manufacturing or industrial purposes. The Enterprise Zone program designation and all benefits described herunder, will cease on December 31, 2015 unless extended by the State of Illinois and city and county authorizing bodies.

### PROPERTY TAX ABATEMENT (COMMERCIAL/INDUSTRIAL PROJECTS)

100% abatement of real estate taxes for a 10-year period, or until December 31, 2015, on the increased assessment amount only, of commercial and industrial projects due to rehabilitation, expansion, or new construction, which are of the magnitude and type requiring a building permit. This abatement of increased assessments will not be effective until the project is occupied or ready for occupancy as determined by the Township Assessor and will cease on December 31, 2015.

### CONTACT

Additional information and application forms may be obtained from:

Quincy Department of Planning  
706 Maine Street  
Quincy, IL 62301  
Phone: 217-228-4515  
Fax: 217-221-2288  
cschluckebier@ci.quincy.il.us

### BUILDING MATERIALS SALES TAX EXEMPTION

Exemption from city, county and state sales tax is available on building materials which will be permanently incorporated into real estate within the Zone. The sales tax exemption is limited to projects for which a building permit is required. Sales tax exemptions remain in effect for one year after a building permit is issued. \*\*NOTE: A business cannot be both a retailer and a contractor in the same transaction to take advantage of the sales tax exemption.

### REDUCED PERMIT FEES

Reduction by 50% of all building related permit fees normally charged in conjunction with commercial, industrial and residential projects involving rehabilitation, expansion or new construction for projects within the Zone.

### ENTERPRISE ZONE JOBS TAX CREDIT

Businesses are allowed a \$500 Illinois income tax credit for each job created in the Zone for qualified employees. Employees must be certified as economically disadvantaged or as dislocated workers. A minimum of five eligible employees must be hired during the taxable year to qualify for the credit. Any unused portion of the credit may be carried forward for five years. Employees must be certified by the Illinois Department of Commerce and Economic Opportunity (DCEO).

### ENTERPRISE ZONE INVESTMENT TAX CREDIT

A 5% tax credit against the Illinois income tax is allowed for investments in qualified property. The credit may be taken by corporations, trusts, estates, partners and Subchapter S shareholders. The credit is allowed for the tax year in which the property is placed in service in the Zone, or, if the credit exceeds the tax liability for the year, the excess may be carried forward and applied to the tax liability of the five taxable years following the excess credit year.

### INCOME TAX DEDUCTIONS

Financial institutions are eligible for a special deduction on their Illinois corporate income tax return. The deduction is equal to the amount of interest received from a loan for development in the Zone. This is limited to the interest earned on loans or portions of loans secured by property which is eligible for the Enterprise Zone Investment Tax Credit. Individuals, corporations, partnerships, trusts and estates may deduct from their taxable income an amount equal to those dividends which were paid to them by a corporation which conducts substantially all its operations in the Enterprise Zone.

### MACHINERY AND EQUIPMENT STATE SALES TAX EXEMPTION

A business certified by DCEO as investing \$5 million in the Enterprise Zone and creating at least 200 full-time jobs in Illinois (or 90% of jobs existing on the date of certification) can qualify for this Illinois sales tax exemption. The exemption applies to all tangible personal property used or consumed in the Zone in the process of manufacturing or assembly of tangible personal property for wholesale or retail sale or lease. Items eligible for the exemption may be purchased anywhere in Illinois. The business may apply to DCEO for certification.

### ENTERPRISE ZONE UTILITY TAX EXEMPTION

A business certified by DCEO can receive an Illinois state tax exemption on gas, electricity, messages and the Illinois Commerce Commission's administrative charge. To qualify, a business must make an investment of at least \$5 million in the Zone and create a minimum of 200 full-time equivalent jobs in Illinois, or it must invest at least \$20 million in the Zone and minimum of 1,000 full-time equivalent jobs in Illinois. The business may apply to DCEO for certification.

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