

**TAYLORVILLE/CHRISTIAN COUNTY ENTERPRISE**  
**ZONE PROJECT PACKET**

- Enterprise Zone Certification Fee Letter
- Taylorville Christian County EZ Certification Fee Application
- State Sales Tax Exemption Information
- City of Taylorville Ordinance # 2406
- Christian County Ordinance # 90-2
- Intergovernmental Agreement Dated 14 Aug. 1990
- Taylorville/Christian County Enterprise Zone # 90  
Project Data Form
- Taylorville/Christian County Enterprise Zone # 90  
Certification of Eligibility for Sales Tax Exemption and  
Purchaser's Statement Sales Tax Exemption
- Taylorville/Christian County Enterprise Zone # 90  
Property Tax Abatement Filing Form

# City of Taylorville

A GREAT PLACE TO LIVE



## OFFICE OF THE MAYOR

Bruce Barry

November 3, 2017

To Whom It May Concern:

The Illinois Enterprise Zone Act was signed into law December 7, 1982. The purpose of the Act is to stimulate economic growth and neighborhood revitalization in economically depressed areas of the state. Businesses located (or those that choose to locate) in a designated enterprise zone can become eligible to obtain special state and local tax incentives, regulatory relief, and improved governmental services, thus providing an economic stimulus to an area that would otherwise be neglected.

One of the key benefits of being located in a designated enterprise zone is being able to receive a Certificate of Eligibility for Sales Tax Exemption. Like your own organization, enterprise zone administrators and staff have ongoing expenses that must be met. Stimulating additional economic growth is a key mandate that zone administrators must continually work towards. Unfortunately, it costs money to do this effectively. With this in mind we began to look around to see how other local enterprise zones were funding their efforts. Both the Decatur-Macon County Enterprise Zone and the Bloomington-Normal-McLean County Enterprise Zone utilize a certification fee to assist in generating the needed revenue. The fee is a percentage of the total construction material costs for the designated project. The Bloomington-Normal-McLean Enterprise Zone currently charges 1 % while the Decatur-Macon County Enterprise Zone charges ½ %. After months of discussion the Taylorville-Christian County Enterprise Zone has decided to implement a similar fee.

Effective November 15, 2011, an Enterprise Zone Certification fee of ½ % of the total construction material costs as listed on the sales tax exemption form will be charged for approved Enterprise Zone projects. Applicants will need to complete the Certification of Eligibility for Sales Tax Exemption Form (see attached) and submit it to the Enterprise Zone Administrator along with a summary of construction materials. The amount of the fee required will then be calculated and the fee will have to be paid prior to the issuance of the sales tax exemption certificate. Checks should be made payable to the Christian County Economic Development Corporation (CCEDC). As illustrated in the example attached, the sales tax exemption remains a tremendous benefit.

Please feel free to contact Mr. George Calvert (217) 824-8713 or Mr. Brett Rahar (217) 824-8512 with any questions or concerns regarding the new fee.

## Example:

- Company XYZ is located within the Taylorville/Christian County Enterprise Zone. The company intends to expand the size of its construction facility and wishes to utilize the sales tax exemption benefit. They complete the Certification of Eligibility for Sales Tax Exemption Form Total listing the costs of the required construction materials and include a summary listing the materials to be used. The total construction materials cost is estimated to be \$500,000 dollars. They will be exempt the normal 7 % sales tax which will result in a savings of \$35,000 dollars. The certification fee will amount to \$2,500 dollars bringing their net savings to \$32,500 dollars. They issue a check payable to Matthew Beckley CPA and Treasurer Christian County Economic Development Corporation in the amount of \$2,500 dollars and receive their Certificate of Eligibility for Sales Tax Exemption.

Cost of project construction materials: \$500,000.00  
Total Sales Tax Exemption (7 % of \$500,000.00): \$35,000.00  
Certification Fee ( ½ % of \$500,000.00): \$2,500.00

Christian County Economic Development Corporation (CCEDC)  
Matthew Beckley – Treasurer  
911 W. Spresser St.  
Taylorville, IL 62568

It is our hope that this Certification Fee will allow us not only to manage the affairs of the Taylorville-Christian County Enterprise Zone more efficiently but will also aid CCEDC in its efforts to stimulate economic growth in the area.

Thank you for your understanding and cooperation.

Respectfully,



Bruce J. Barry, Mayor  
City of Taylorville

- "Retained" means the number of jobs that will remain in the Zone as a result of the new investment being made.
- "Created" means the number of jobs for which persons are hired or are expected to be hired within one year as a result of the new investment, NOT construction jobs.
- Certification Fee must be submitted with the form. Certification will not be provided without prior payment of fee.

**Return completed form to:**  
Taylorville Christian County Zone Administrator  
Mayor's Office  
City Hall  
Taylorville, Illinois 62568  
Phone: (217) 287-7946

## Taylorville Christian County Enterprise Zone Certification Application

This form must be completed and returned to Zone Administration Office  
BEFORE any Enterprise Zone benefits can be granted.

### ENTERPRISE ZONE PROJECT INFORMATION

(To be completed by Company Representative)

1. Name of Project: \_\_\_\_\_
2. Project's Street Address: \_\_\_\_\_
3. City: \_\_\_\_\_
4. Name of Business/Company applying for Enterprise Zone Designation (if different than project): \_\_\_\_\_
5. Company Address: \_\_\_\_\_
6. Contact: \_\_\_\_\_ Phone: \_\_\_\_\_
7. General Description of Project (including rehabilitation, remodeling of existing structures, new construction, major paving or new equipment):  
\_\_\_\_\_
8. Project Classification: Commercial \_\_\_\_\_ Industrial \_\_\_\_\_
9. Expected Date of Project Start: \_\_\_\_\_
10. Anticipated Completion Date: \_\_\_\_\_
11. Estimated Cost of Project: (Amount for 1 and/or 2 must coincide with building permit.)
  - 1) New Construction \$ \_\_\_\_\_
  - 2) Renovation \$ \_\_\_\_\_
  - 3) Site (Purchase and Preparation) \$ \_\_\_\_\_
  - 4) Capital Equipment \$ \_\_\_\_\_

\*\*Permit valid for one year from date of issuance.

### IDENTIFICATION INFORMATION

(these numbers are very important and MUST be filled in)

- 12. Permanent Parcel Numbers (s) (PPN): \_\_\_\_\_
- 13. Parcel Zoning \_\_\_\_\_
- 14. Federal Employer Identification Number (FEIN) \_\_\_\_\_
- 15. Unemployment Insurance Number (UIN): \_\_\_\_\_
- 16. Building Permit Number (BPN): \_\_\_\_\_
- 17. Date Building Permit Was Issued: \_\_\_\_\_
- 18. Expiration Date of Building Permit: \_\_\_\_\_
- 19. Estimated Cost of Project and Certification Fee Calculation:

A. Total Project Value (TPV)	
B. Construction Materials Costs	
C. Estimated Savings Rate	8.00%
D. Estimated Sales Tax Savings in EZ ( $B \times C$ )	
E. Certification Fee Rate	.50%
Certification Fee ( $E \times B$ )	

Maximum certification fee for any project considered for inclusion in the Taylorville Christian County Enterprise Zone is \$200,000.

In the event the application for expansion of the Taylorville Christian county Enterprise Zone is not approved, the Enterprise Zone administrators retain the right to withhold 5% or \$5,000, whichever is less of the certification fee for administrative costs.

- 20. Number of fulltime and part-time equivalent jobs:
  - a. Presently at Project Location: \_\_\_\_\_
  - b. Retained \_\_\_\_\_
  - c. Created (within 1 year of completion) \_\_\_\_\_

21. Does this project involve a move from another location? Yes \_\_\_\_\_ No \_\_\_\_\_  
(if yes, please indicate city and state):

22. Signature of Project Representative:

\_\_\_\_\_  
NAME TITLE

NEW	CHANGE	CONTINUED

MARK APPROPRIATE BOX

**NOTICE TO ABATE CERTAIN PROPERTY TAXES  
IN THE ENTERPRISE ZONE  
MUST BE FILED NO LATER THAN JULY 1**

OFFICE USE ONLY

TO: BOARD OF REVIEW  
COUNTY CLERK

FROM: \_\_\_\_\_ DATE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_ TITLE: \_\_\_\_\_

PARCEL DESCRIBED AS FOLLOWS:

PERMANENT INDEX NUMBER: \_\_\_\_\_

PROPERTY ADDRESS: \_\_\_\_\_

OWNER OF RECORD: \_\_\_\_\_

YEAR OF ABATEMENT PERIOD: YEAR \_\_\_\_\_ OF \_\_\_\_\_

TAX YEAR: \_\_\_\_\_ PAYABLE: \_\_\_\_\_ BASE YEAR: \_\_\_\_\_

TYPE OF PROPERTY: COMMERCIAL \_\_\_\_\_ INDUSTRIAL \_\_\_\_\_

UNDER PROVISIONS OF THE ILLINOIS ENTERPRISE ZONE ACT AND RELEVANT CITY OR VILLAGE AND COUNTY CODES, ALL OR PART OF THE PROPERTY TAX OF THE FOLLOWING TAXING DISTRICTS ARE ABATED ON CERTAIN IMPROVEMENTS TO THE ABOVE REFERENCED PARCEL FOR THE REFERENCED TAX YEAR. THAT PORTION OF REAL PROPERTY TAXES TO BE ABATED FOR EACH TAXING DISTRICT SHALL BE DETERMINED BY THE COUNTY CLERK USING THE FOLLOWING FORMULA:

$$\frac{\text{CURRENT YEAR EAV OF IMPROVEMENT} - \text{LESS BASE YEAR EAV OF IMPROVEMENT}}{\text{EAV TO BE ABATED}}$$

**INDUSTRIAL  
%EAV ABATED**

**COMMERCIAL  
%EAV ABATED**

Year 1	100%
Year 2	90%
Year 3	80%
Year 4	70%
Year 5	60%
Year 6	50%
Year 7	40%
Year 8	30%
Year 9	20%
Year 10	10%

Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Year 5	20%



# *Informational*

## *Bulletin*

Brian Hamer, Director

## **New Application Process to Obtain Sales Tax Exemption Certificates for Building Materials**

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This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

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Contractors and other entities participating in a real estate construction, rehabilitation, or renovation project in an Enterprise Zone or a River Edge Redevelopment Zone – or for a state-certified High Impact Business – may purchase building materials for the project exempt from sales tax.

**Beginning July 1, 2013, the building materials exemption will be available only to those contractors or other entities with a certificate issued by the Illinois Department of Revenue.**

**For information or forms**  
Visit our website at:  
**tax.illinois.gov**

This bulletin provides a brief description of the requirements. For complete information about what you need, visit our website at **tax.illinois.gov** and click on the “Business Incentives Reporting and Building Materials Exemption Certification” link.

### **Who is eligible for a Building Materials Exemption Certificate?**

- Each construction contractor or other entity that purchases building materials to be incorporated into real estate in an Enterprise Zone or River Edge Redevelopment Zone by rehabilitation, remodeling or new construction.
- Each construction contractor or other entity that purchases building materials that will be incorporated into a High Impact Business location as designated by the Department of Commerce and Economic Opportunity

### **How do I apply for a Building Materials Exemption Certificate?**

- Construction contractors or other entities seeking exemption certificates must go through the Zone Administrator of the zone where the project is located or through the High Impact Business project manager.
- Zone Administrators must submit applications for those construction contractors or other entities purchasing materials to incorporate into real estate in an Enterprise Zone or River Edge Redevelopment Zone.
- High Impact Businesses must submit applications for those construction contractors or other entities purchasing materials to be incorporated into a High Impact Business location.



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**Informational Bulletin - New Application Process to Obtain Sales Tax  
Exemption Certificates for Building Materials**

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FY 2013-16

- All applications must be submitted through the "Business Incentives Reporting and Building Materials Exemption Certification" link at the Department of Revenue's website, at [tax.illinois.gov](http://tax.illinois.gov).
- The Department of Revenue will issue an exemption certificate within 72 hours of receiving an application.

**What information does a Zone Administrator or High Impact Business project manager have to provide to apply for an exemption certificate?**

- Name, address and e-mail address of the construction contractor or other entity seeking a certificate;
- Name of the Enterprise Zone or River Edge Redevelopment Zone (not necessary for High Impact Business locations);
- The address (or location) of the project;
- The estimated amount of the exemption based on the percentage of the contract that consists of materials; and
- Federal Employer Identification Number (FEIN) or Applicant ID

**IMPORTANT:** If you are a sole proprietor using a Social Security Number (SSN) as your business identification number, you must first obtain an "Applicant ID" through the Building Materials Exemption Certificate program and bring your Applicant ID to the Zone Administrator or High Impact Business project manager for them to complete your application.

**How will a retailer know when a purchaser has a valid exemption certificate?**

When purchasing tax exempt building materials, the purchaser must submit a signed statement to the retailer that contains the certificate number, the zone, the project, and the materials being purchased. Form EZ-1, Building Materials Exemption Certification, contains all necessary information and will be provided to certificate holders when they receive their certificates. Form EZ-1 is also available for download at [tax.illinois.gov](http://tax.illinois.gov).

**Note:** It is the seller's responsibility to verify that the certificate holder's building materials exemption certificate number is valid and active. You can confirm this by visiting our website at [tax.illinois.gov](http://tax.illinois.gov) and using the Verify Building Materials Exemption Certificates tool.

**How long is a certificate valid?**

A maximum of two years.

**When will contractors and other entities have to begin using Department of Revenue-issued certificates?**

July 1, 2013

**Are unexpired certificates issued by Zone Administrators before July 1, 2013 still valid after July 1, 2013?**

No. Only certificates issued by the Illinois Department of Revenue are valid beginning July 1, 2013. Any contractor or other entity possessing a valid building materials exemption certificate issued by a Zone Administrator, must apply for a new certificate from the Department of Revenue for the project.

**What are the penalties for misuse of an exemption certificate?**

Certificate holders are responsible for ensuring that their certificates are used only to make qualified purchases. A certificate holder who uses the certificate or allows it to be used to improperly avoid tax will be assessed taxes and penalties on the purchase, an additional monetary penalty equal to the state and local sales taxes on the purchase, and may be barred from securing certificates for other projects.

**INFORMATION REQUIRED FOR PROJECT MANAGER TO APPLY FOR EXEMPTION CERTIFICATE**

**NAME OF THE ENTERPRISE ZONE** TAYLORVILLE/CHRISTIAN

**ADDRESS (or location) OF THE PROJECT** \_\_\_\_\_

**THE ESTIMATED AMOUNT OF THE EXEMPTION BASED ON THE PERCENTAGE OF THE CONTRACT THAT CONSISTS OF MATERIALS** \_\_\_\_\_

**FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN) OR APPLICANT ID**  
\_\_\_\_\_

**NAME OF CONSTRUCTION CONTRACTOR** \_\_\_\_\_

**ADDRESS** \_\_\_\_\_

**Email address** \_\_\_\_\_

**OTHERS SEEKING A CERTIFICATE**

**NAME** \_\_\_\_\_

**ADDRESS** \_\_\_\_\_

**Email address** \_\_\_\_\_

**NAME** \_\_\_\_\_

**ADDRESS** \_\_\_\_\_

**Email address** \_\_\_\_\_

**NAME** \_\_\_\_\_

**ADDRESS** \_\_\_\_\_

**Email address** \_\_\_\_\_

**NAME** \_\_\_\_\_

**ADDRESS** \_\_\_\_\_

**Email address** \_\_\_\_\_

## Enterprise Zone Certification Fee

Approved Enterprise Zone projects requesting a sales tax exemption or property tax abatement, will be subject to a fee of 1/2% of the total construction material costs included on the sales tax exemption form. The fee will be due prior to the issuance of the sales tax exemption certificate by the Zone Administrator and a summary of construction materials costs must be provided to the Zone Administrator with the application.

## Sales Tax Exemption

A point-of-sale tax exemption is available on building materials incorporated into real estate in the Taylorville/Christian County Enterprise Zone. The exemption applies to building and construction materials used for remodeling, rehabilitation or new construction.

*Construction must be of the nature that a building permit would be required. A completed exemption form with original signatures must be submitted to the Zone Administrator prior to the start of the project.*

In addition to the completed exemption form, the applicant must submit a copy of the approved building permit issued by the City of Taylorville, Christian County, or other applicable local unit of government. The Administrator will verify that the project is eligible and located within the Zone boundary.

The City, County and State exemptions provide a full abatement of sales tax on construction materials. Companies undertaking projects in the Enterprise Zone are encouraged to purchase building materials locally and to use local labor.

## What is the sales tax deduction and what is the retailer's role?

Each retailer, who makes a qualified sale of building materials to be incorporated into real estate by remodeling, rehabilitation or new construction in the Taylorville/Christian County Enterprise Zone, may deduct receipts from such sales when calculating the tax imposed by this Act. For purposes of this Section, "qualified sale" means a sale of building materials that will be incorporated into real estate as part of a building project for which a Certificate of Eligibility for Sales Tax Exemption has been issued by the administrator of the enterprise zone in which the building project is located. To document the exemption allowed under this Section, the retailer must obtain from the purchaser a copy of the Certificate of Eligibility for Sales Tax Exemption issued by the administrator or authorized designee of the Taylorville/Christian County Enterprise Zone.

**The Certificate of Eligibility for Sales Tax Exemption must contain:**

- a statement that the building project identified in the Certificate meets all the requirements for the building material exemption of the Taylorville/Christian County Enterprise Zone;
- the location or address of the building project; and
- the signature of the administrator or authorized designee of the Taylorville/Christian County Enterprise Zone.

In addition, the retailer must obtain certification from the purchaser that includes:

- a statement that the building materials are being purchased for incorporation into real estate located in the Taylorville/Christian County Enterprise Zone;
- the location or address of the real estate into which the building materials will be incorporated;
- the name of the enterprise zone – Taylorville/Christian County Enterprise Zone - in which that real estate is located;
- a description of the building materials being purchased; and
- the purchaser's signature and date of purchase.

The ordinance that governs the enterprise zone into which the building materials will be incorporated may neither require nor prohibit the purchase of building materials from any retailer or class of retailers in order to qualify for the exemption.

**Do all retailers offer a point of sale exemption?**

No. Retailers are not required by law to participate. The purchaser must ask the retailer for cooperation on this incentive. Retailers have, however, demonstrated good cooperation throughout the history of this program, as this incentive permits them to give customers a "break" without cost to themselves.

**What qualifies as "building materials" eligible for the sales tax deduction?**

Building materials that are eligible for the enterprise zone sales tax deduction include items that are permanently affixed to real property such as lumber, mortar, glued-down carpets, paint, wallpaper and similar affixed items.



# Enterprise Zone Exemption Change

## Informational Bulletin

October 2002

**Glen L. Bower**  
Director of Revenue

### For information or forms...

- ◆ Call us at:  
1 800 732-8866 or  
217 782-3336
- ◆ Call our TDD  
(telecommunications device  
for the deaf) at:  
1 800 544-5304
- ◆ Write us at:  
Illinois Department of Revenue  
P.O. Box 19044  
Springfield, IL 62794-9044
- ◆ Visit our Web site at:  
[www.ILtax.com](http://www.ILtax.com)
- ◆ Call  
"Illinois Tax Fax," our  
fax-on-demand service, at:  
217 785-3400
- ◆ Call  
our 24-hour  
Forms Order Line at:  
1 800 356-6302

### To: Retailers and Servicepersons

Effective August 6, 2002, the deduction for the sale of building materials purchased for incorporation into real estate in an enterprise zone has changed. The change to this exemption consists of two parts.

#### What is the first part of the change?

The deduction applies only to "qualified sales" of building materials.

#### What is a "qualified sale"?

For the purposes of this bulletin, a "qualified sale" is a sale of building materials that will be incorporated into real estate as part of a project for which a Certificate of Eligibility for Sales Tax Exemption has been issued.

The administrator of the enterprise zone in which the building project is located must issue the Certificate of Eligibility for Sales Tax Exemption.

#### How do I document the exemption for the sale of qualified building materials?

To document this exemption, you must keep a copy of the Certificate of Eligibility for Sales Tax Exemption in your books and records. The certificate must contain:

- ◆ a statement that the building project identified in the certificate meets all of the requirements for the building material exemption contained in the enterprise zone

ordinance of the jurisdiction in which the building project is located;

- ◆ the location or address of the building project; and
- ◆ the signature of the administrator of the enterprise zone in which the building project is located.

In addition, you must keep in your books and records certification from the purchaser that contains:

- ◆ a statement that the building materials are being purchased for incorporation into real estate located in an Illinois enterprise zone,
- ◆ the location or address of the real estate into which the building materials will be incorporated,
- ◆ the name of the enterprise zone in which the real estate is located,
- ◆ a description of the building materials being purchased, and
- ◆ the purchaser's signature and date of purchase.

#### How can I obtain a list of Enterprise Zone Administrators?

A list of Enterprise Zone administrators is maintained by the Illinois Department of Commerce and Community Affairs, Business Finance Division.

The Web site for the Illinois Department of Commerce and Community Affairs is [www.commerce.state.il.us](http://www.commerce.state.il.us).

**What is second part of the change?**

Second, the ordinance that governs the enterprise zone into which the building materials will be incorporated may neither require nor prohibit the purchase of building materials from any retailer or class of retailers in order to qualify for the exemption.

COUNTY OF CHRISTIAN, ILLINOIS

ORDINANCE NO. 02004 CB 015

AN ORDINANCE APPROVING AN AMENDMENT TO THE  
TAYLORVILLE-CHRISTIAN COUNTY ENTERPRISE ZONE  
INTERGOVERNMENTAL COOPERATION AGREEMENT  
ATTACHED TO COUNTY ORDINANCE NO. 02004-CB-015

ADOPTED BY THE  
COUNTY BOARD  
OF THE  
COUNTY OF CHRISTIAN  
THIS 17<sup>th</sup> DAY OF August, 2004.

COUNTY OF CHRISTIAN, ILLINOIS

ORDINANCE NO. 02004 CB 015

AN ORDINANCE APPROVING AN AMENDMENT TO THE  
TAYLORVILLE-CHRISTIAN COUNTY ENTERPRISE ZONE  
INTERGOVERNMENTAL COOPERATION AGREEMENT  
ATTACHED TO COUNTY ORDINANCE NO. 02004-CB-015

Whereas, on August 17, 2004, the County Board for Christian County, Illinois adopted Ordinance No. 02004-CB-015 being an Ordinance Authorizing Amendments to the Taylorville-Christian County Enterprise Zone and Authorizing an Intergovernmental Cooperation Agreement with the City of Taylorville, Illinois; and

Whereas, attached to said Ordinance was a Taylorville-Christian County Enterprise Zone Intergovernmental Cooperation Agreement; and said Agreement by its terms allowed for amendments to be made to said Agreement upon the mutual consent of the City and County; and

Whereas, the City and County desire to amend said Agreement, particularly Section I. C. thereof, in the form attached hereto and incorporated herein by reference; and to replace said Agreement attached to said Ordinance No. 02004-CB-015 with the Taylorville-Christian County Enterprise Zone Intergovernmental Cooperation Agreement attached hereto and incorporated herein by reference.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY BOARD FOR CHRISTIAN COUNTY, ILLINOIS, AS FOLLOWS:

Section 1: The Taylorville-Christian County Enterprise Zone Intergovernmental Cooperation Agreement attached hereto and incorporated herein by reference is hereby approved and the County Board Chairman, on behalf of the

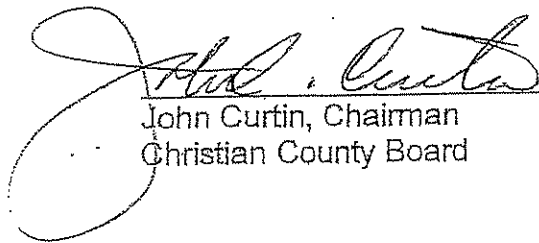


County Board for Christian County, Illinois, is hereby authorized to sign same; and the County Clerk is authorized and directed to replace the said Agreement attached to said Ordinance No. 02004-CB-015 with the Taylorville-Christian County Enterprise Zone Intergovernmental Cooperation Agreement attached hereto, which shall be the sole governing Agreement between the City and County concerning said Taylorville-Christian County Enterprise Zone referred to in said Ordinance No. 02004-CB-015.

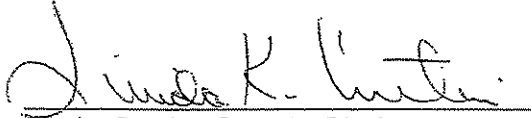
Section 2. If any section, clause, provision or portion of this Ordinance shall be held to be invalid or unconstitutional by any Court of competent jurisdiction, such holding shall not affect or otherwise impair any other section, clause, provision or portion of this Ordinance which is not, in or of itself, invalid or unconstitutional.

Section 3. This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law and the concurrence and certification of the Department of Commerce and Economic Opportunity; provided, however, upon such concurrence and certification by the Illinois Department of Commerce and Economic Opportunity this Ordinance shall be deemed effective retroactive to May 17, 2004.

ON MOTION DULY MADE AND SECONDED and pursuant to roll call vote, this Ordinance was passed, approved and adopted this 17th day of August, 2004.

  
\_\_\_\_\_  
John Curtin, Chairman  
Christian County Board

ATTEST:



Linda Curtin, County Clerk  
Christian County Board

(Seal)

AYES: Tim Butcher, Timothy Carlson, John Curtin, Charles DeClerck,

Michael Drea, Carol Foli, Michael Gleason, Joseph Marley, Scott Merano,

Darrell Robertson, Paul Schmitz, Margaretha Strawn, Laura Wilkinson, Tony Woods  
NAYS: \_\_\_\_\_

None

ABSENT: Jack Pearce, Jr., Lloyd Washburn

FILED IN THE OFFICE OF THE COUNTY CLERK  
ON THE 17th DAY OF August, 2004.

8/2/04

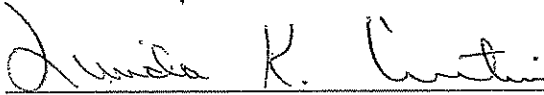
CERTIFICATE

STATE OF ILLINOIS        )  
                                  ) SS.  
COUNTY OF CHRISTIAN )

I, LINDA CURTIN, certify that I am the duly elected and acting County Clerk of Christian County, Illinois.

I further certify that on August 17, 2004, the Christian County Board of said Christian County, Illinois passed and approved Ordinance No. 02004 CB 015 entitled "AN ORDINANCE APPROVING AN AMENDMENT TO THE TAYLORVILLE-CHRISTIAN COUNTY ENTERPRISE ZONE INTERGOVERNMENTAL COOPERATION AGREEMENT ATTACHED TO COUNTY ORDINANCE NO. 02004-CB-015".

DATED at Taylorville, Illinois, this 18th day of August, 2004.

  
\_\_\_\_\_  
LINDA CURTIN, County Clerk

(SEAL)

CITY OF TAYLORVILLE

ORDINANCE NO. 3190

AN ORDINANCE APPROVING AN AMENDMENT TO THE TAYLORVILLE-  
CHRISTIAN COUNTY ENTERPRISE ZONE INTERGOVERNMENTAL  
COOPERATION AGREEMENT ATTACHED TO CITY ORDINANCE NO. 3173

ADOPTED BY THE  
CITY COUNCIL  
OF THE  
CITY OF TAYLORVILLE  
THIS 2<sup>nd</sup> DAY OF AUGUST, 2004.

PUBLISHED IN PAMPHLET FORM BY AUTHORITY  
OF THE CITY COUNCIL OF THE CITY OF  
TAYLORVILLE, CHRISTIAN COUNTY, ILLINOIS,  
THIS 3<sup>rd</sup> DAY OF AUGUST, 2004.

CITY OF TAYLORVILLE

ORDINANCE NO. 3190

**AN ORDINANCE APPROVING AN AMENDMENT TO THE TAYLORVILLE-  
CHRISTIAN COUNTY ENTERPRISE ZONE INTERGOVERNMENTAL  
COOPERATION AGREEMENT ATTACHED TO CITY ORDINANCE NO. 3173**

Whereas, on June 7, 2004, the City adopted Ordinance No. 3173 being an Ordinance Authorizing Amendments to the Taylorville-Christian County Enterprise Zone and Authorizing an Intergovernmental Cooperation Agreement with Christian County; and

Whereas, attached to said Ordinance was a Taylorville-Christian County Enterprise Zone Intergovernmental Cooperation Agreement; and said Agreement by its terms allowed for amendments to be made to said Agreement upon the mutual consent of the City and County; and

Whereas, the City and County desire to amend said Agreement, particularly Section I. C. thereof, in the form attached hereto and incorporated herein by reference; and to replace said Agreement attached to said Ordinance No. 3173 with the Taylorville-Christian County Enterprise Zone Intergovernmental Cooperation Agreement attached hereto and incorporated herein by reference.

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF TAYLORVILLE, CHRISTIAN COUNTY, ILLINOIS AS FOLLOWS:

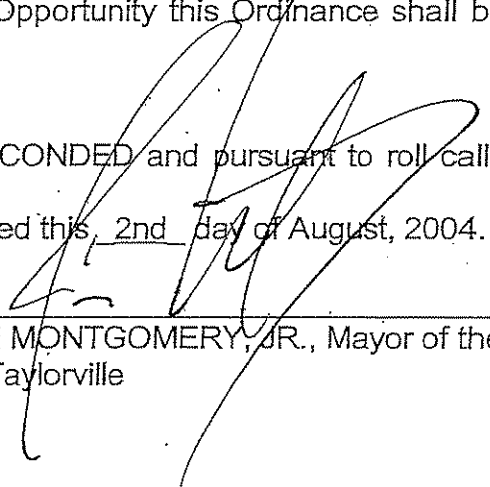
**Section 1:** The Taylorville-Christian County Enterprise Zone Intergovernmental Cooperation Agreement attached hereto and incorporated herein by reference is hereby approved and the Mayor, on behalf of the City, is hereby authorized to sign same; and

the City Clerk is authorized and directed to replace the said Agreement attached to said Ordinance No. 3173 with the Taylorville-Christian County Enterprise Zone Intergovernmental Cooperation Agreement attached hereto, which shall be the sole governing Agreement between the City and County concerning said Taylorville-Christian County Enterprise Zone referred to in said Ordinance No. 3173.

**Section 2:** If any section, clause, provision or portion of this Ordinance shall be held to be invalid or unconstitutional by any Court of competent jurisdiction, such holding shall not affect or otherwise impair any other section, clause, provision or portion of this Ordinance which is not, in or of itself, invalid or unconstitutional.

**Section 3.** This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law and the concurrence and certification of the Illinois Department of Commerce and Economic Opportunity; provided, however, upon such concurrence and certification by the Illinois Department of Commerce and Economic Opportunity this Ordinance shall be deemed effective retroactive to May 17, 2004.

ON MOTION DULY MADE AND SECONDED and pursuant to roll call vote, this Ordinance was passed, approved and adopted this, 2nd day of August, 2004.

  
\_\_\_\_\_  
JIM MONTGOMERY, JR., Mayor of the City  
of Taylorville

ATTEST:

  
\_\_\_\_\_  
PAMELA J. PEABODY, City Clerk

(Municipal Seal)

AYES: Aldermen Brown, Dorchinecz, Walters,

Williams, and Mayor Montgomery

NAYS: None

ABSENT: Aldermen Mathon and Wright

ABSTAIN: Aldermen Jones and Richey

FILED IN THE OFFICE OF THE CITY CLERK, CITY OF  
TAYLORVILLE, ON THE 3<sup>rd</sup> DAY OF AUGUST, 2004.

PUBLISHED IN PAMPHLET FORM ON AUGUST 3, 2004.

CERTIFICATE

STATE OF ILLINOIS        )  
  ) SS.  
COUNTY OF CHRISTIAN )

I, PAMELA J. PEABODY, certify that I am the duly elected and acting City Clerk of the City of Taylorville, Christian County, Illinois.

I further certify that on August   3  , 2004, the City Council of said City passed and approved Ordinance No.   3190   entitled "AN ORDINANCE APPROVING AN AMENDMENT TO THE TAYLORVILLE-CHRISTIAN COUNTY ENTERPRISE ZONE INTERGOVERNMENTAL COOPERATION AGREEMENT ATTACHED TO CITY ORDINANCE NO. 3173".

The pamphlet form of Ordinance No.   3190  , including the Ordinance and a cover sheet thereof was prepared, and a copy of such Ordinance was posted in the City Hall, commencing on August   3  , 2004, and continuing for at least ten days thereafter. Copies of such Ordinance were also available for public inspection upon request in the Office of the City Clerk.

DATED at Taylorville, Illinois, this   13<sup>th</sup>   day of August, 2004.

  
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PAMELA J. PEABODY, City Clerk

(MUNICIPAL SEAL)



**TAYLORVILLE-CHRISTIAN COUNTY ENTERPRISE ZONE  
INTERGOVERNMENTAL COOPERATION AGREEMENT**

This Intergovernmental Cooperation Agreement (herein "Agreement") dated May 18, 2004 is entered into by and between the City of Taylorville, Illinois, a municipal corporation (herein "City") and the County of Christian, Illinois, a governmental entity (herein "County").

**WHEREAS**, the City and the County have previously adopted ordinances establishing an Enterprise Zone that included certain incorporated portions of the City and certain portions of the County outside the corporate limits of the City; and

**WHEREAS**, said Ordinances were part of an application to the State of Illinois Department of Commerce and Community Affairs now known as the Department of Commerce and Economic Opportunity (herein "Department") for designation and recognition of an Enterprise Zone pursuant to the Illinois Enterprise Zone Act, now set forth in 20 ILCS 655/1 et seq. (herein "Act"); and

**WHEREAS**, the Taylorville-Christian County Enterprise Zone was "certified" by the Department on July 1, 1991; and

**WHEREAS**, the City and the County now desire to continue and extend the future operation of the Taylorville-Christian County Enterprise Zone in an efficient and effective manner in keeping with the terms of the Act and the rules and regulations promulgated by the Department for the operation of the Taylorville-Christian County Enterprise Zone.

**NOW, THEREFORE**, in consideration of the foregoing premises and the terms and provisions set forth herein, the City and the County agree as follows:

**SECTION I. GENERAL PROVISIONS**

- A. **Enterprise Zone Territory.** The area legally described in the aforesaid original enterprise zone certification request and in the City and the County establishing ordinances dated July 2, 1990 and August 14, 1990 respectively and such additional areas as legally described in City Ordinance No. 3173 and County Ordinance No. O2004-CB-015 and also referred to on the Location Map attached hereto and incorporated herein by reference and such area as may be hereafter duly amended by properly submitted annexation requests which are approved and certified in writing by the Department or its successor from time to time shall be designated as the official territory comprising of the Taylorville-Christian County Enterprise Zone as amended from time to time.
- B. **Name of the Enterprise Zone.** The name of the Enterprise Zone shall continue to be the Taylorville-Christian County Enterprise Zone (herein sometimes referred to as "Enterprise Zone").

C. **Enterprise Zone Termination.** The Taylorville/Christian County Enterprise Zone shall remain in effect until midnight on December 31, 2021 or until decertified by the Department or until repealed by ordinances adopted by both the City and the County, whichever event first occurs. This Agreement shall remain in effect until whichever of the aforesaid events first occurs.

D. **Enterprise Zone Administration.** The administration of the Taylorville-Christian County Enterprise Zone shall be jointly shared by the City and the County.

## SECTION II. ENTERPRISE ZONE MANAGERS

A. **Duties.** The Enterprise Zone Managers, as has been established and created by joint action of the City and County, shall consist of the Mayor of the City and the County Board Chairman of the County; and such Managers shall perform the following duties with respect to the Enterprise Zone.

1. Implement, monitor and periodically recommend updates as necessary to the City and the County regarding the Enterprise Zone development goals and objectives;
2. Establish procedures for the efficient and equitable operation and management of the Enterprise Zone, including appeals processes, and recommend and advise the City and County regarding policies for the operation and management of the Enterprise Zone and the administration and enforcement of the establishing and amending Ordinances;
3. Incorporate an annual work program and operating budget for the effective administration of the Enterprise Zone within the budget of Christian County Economic Development Corporation and forward such recommendations to the City and the County for consideration;
4. Verbally report to the City and County on a semi-annual basis with respect to the activities, accomplishments, policies and operating procedures of the Enterprise Zone;
5. Provide the necessary periodic "written reports" to the Department regarding the performance of the Enterprise Zone;
6. Prepare and distribute to the City and the County a written "annual report" for the Enterprise Zone (said report being similar in content to the report required by the Department);

7. Develop and implement a "marketing program" to inform existing local businesses and industries, (as well as prospective future investors) about the Enterprise Zone and its various tax incentive and inducement programs;
  8. Coordinate the effective utilization of the Enterprise Zone programs and activities with those proposed or underway by various other planning, economic development promotion, and community development entities serving the Taylorville, Illinois and Christian County, Illinois areas; and
  9. Perform other functions and duties as may be stipulated by future amendments to this Agreement by the City and the County.
- B. **Terms of Membership.** The terms of membership for the Enterprise Zone Managers shall be as follows: Enterprise Zone Managers shall serve for the duration that the individual holds the position or office stipulated in Section II-A above.
- C. **Compensation.** Unless specified otherwise, the Enterprise Zone Managers shall serve without compensation. However, actual out-of-pocket expenses incurred by Enterprise Zone Managers in the performance of their assigned duties and responsibilities may be reimbursed from the budget of the Christian County Economic Development Corporation as provided for in Section IV of this Agreement; or if not so reimbursed, then such reimbursement shall be equally made by the City and County.

### SECTION III. ENTERPRISE ZONE ADMINISTRATOR

- A. **Enterprise Zone Administrator.** The Enterprise Zone Managers shall appoint an officer or an employee of the City or the County, from time to time, to serve as the "Enterprise Zone Administrator" (herein "Zone Administrator"), who shall serve as the Zone Administrator for the Taylorville-Christian County Enterprise Zone during his or her term of office or appointment.
- B. **Zone Administrator's Duties.** The duties and responsibilities of the Zone Administrator shall be as follows:
1. **Administration.** The Zone Administrator shall administer and enforce the establishing and all subsequent amending Ordinances adopted by the City and the County, and effectively operate and manage the day-to-day affairs of the Taylorville-Christian County Enterprise Zone. Any appeals arising from any decisions or determination of the Zone Administrators shall be taken to the Enterprise Zone Managers.

2. **Project Eligibility.** The Enterprise Zone Managers shall have the ultimate authority and responsibility for determining a "project's eligibility" for access to the various tax incentives and inducements offered through the Taylorville-Christian County Enterprise Zone and said "project eligibility" shall be evidenced by the Zone Administrator's issuance of a written "Certificate of Eligibility".
3. **Records.** The Zone Administrator shall maintain suitable and appropriate records associated with and documenting the activities and projects undertaken within the Taylorville-Christian County Enterprise Zone. Said records shall be utilized for the preparation of periodic reports as may be required by the Department and/or the Enterprise Zone Managers and/or the City and/or the County.
4. **Report Preparation.** The Zone Administrator shall prepare all reports that may be required by the Department and/or the Enterprise Zone Managers and/or the City and/or the County.
5. **Budget Preparation.** Each year the Zone Administrator shall prepare and propose to the Enterprise Zone Manager an annual operating budget for the administration of the affairs of the Taylorville-Christian County Enterprise Zone. The Enterprise Zone Managers shall review such proposed budget and recommend an annual budget to the City and the County for consideration and inclusion in their respective budget or appropriation allocations to the Christian County Economic Development Corporation. Any amendments to such budget shall be prepared and approved in the same manner.
6. **Advisor to and Staff Support for the Enterprise Zone Board.** The Zone Administrator shall serve as an advisor to and may provide staff support to the Enterprise Zone Managers in order to assist the Enterprise Zone Managers in carrying out their functions and duties. The Zone Administrator shall maintain the records of the Enterprise Zone.

#### **SECTION IV. ENTERPRISE ZONE MANAGEMENT AND OPERATION COSTS**

- A. **Management and Operating Expenses.** Management and operating costs and expenses associated with the ongoing administration of the Taylorville-Christian County Enterprise Zone and its programs shall include, but are not limited to, the following matters:
  1. Costs and expenses related to promoting and marketing the Taylorville-Christian County Enterprise Zone and its various tax incentives and inducements for private investors, (e.g., brochure production and

dissemination, television and/or newspaper advertising, workshops and presentations, travel directly related to the performance of assigned staff and/or Zone Administrator's and/or Enterprise Zone Managers' duties and responsibilities, etc.); and

2. Clerical, copying, supplies, printing, postage, equipment, and liability insurance costs and expenses associated with the Zone Administrator's duties and responsibilities hereunder and/or the Enterprise Zone Managers duties and responsibilities and/or activities specifically directed by the Enterprise Zone Managers and the costs associated with reporting to the Enterprise Zone Managers, the City, the County, and the Department.

**B. Sources of Funding.** Enterprise Zone management and operation costs and expenses shall be equally shared by the City and the County through their annual appropriations to the Christian County Economic Development Corporation. The Christian County Economic Development Corporation shall pay the aforesaid Enterprise Zone management and operation costs and expenses; provided, however, if it fails to do so, then the County and the City shall equally pay the aforesaid Enterprise Zone management and operation costs and expenses. The County or the City shall have the right to opt out of the Taylorville-Christian County Enterprise Zone upon the passage of an appropriate ordinance and the service of a thirty (30) day written notice to the other party (i.e. the City or the County, as the case may be); provided, however, the party who elects to opt out of the Taylorville-Christian County Enterprise Zone shall remain liable for its funding commitment or obligation previously made or incurred for the year such opting out is to become effective.

## **SECTION V. ENTERPRISE ZONE INCENTIVES**

**A. Incentives and Inducements.** The following paragraphs describe the range of tax incentives and other inducements to be offered to qualifying investors for eligible projects located within the boundaries of the Taylorville-Christian County Enterprise Zone, to-wit:

1. **Property Tax Abatement.** The City and County each hereby authorizes and directs the County Clerk to abate that portion of its respective taxes imposed on real property within the Taylorville-Christian County Enterprise Zone that has received a "Certificate of Eligibility" from the Zone Administrator and upon which either new improvements have been constructed or existing improvements have been renovated or rehabilitated, after local designation and state certification of the Enterprise Zone; provided, however, that no such property tax abatement shall be applicable to any such improvement, renovation, or rehabilitation project located within the boundaries of a Tax Increment

Financing Redevelopment Project District (i.e., a TIF District). Any such property tax abatement for any "Certificate of Eligibility" issued after the effective date of this Agreement shall be subject to the following conditions and limitations:

- a. For industrial projects, the maximum time period of such property tax abatement shall be for ten (10) years and the applicable percentage of each such property tax abatement during each of such ten (10) years shall be calculated as follows:

100% Year 1  
90% Year 2  
80% Year 3  
70% Year 4  
60% Year 5  
50% Year 6  
40% Year 7  
30% Year 8  
20% Year 9  
10% Year 10

- b. For commercial projects, the maximum time period of such property tax abatement shall be for five (5) years and the applicable percentage of each such property tax abatement during each of such five (5) years shall be calculated as follows:

100% Year 1  
80% Year 2  
60% Year 3  
40% Year 4  
20% Year 5

- c. Such improvements, renovations, or renovations must be of the scope and nature for which a building permit is required by either the City or the County and has been obtained.
- d. Any property tax abatement on any parcel shall not exceed the amount attributable to the construction of the improvements and the renovation or the rehabilitation of existing improvements on such parcel.
- e. Such property tax abatement shall be allowed only for industrial projects or for commercial projects located within the Taylorville-Christian County Enterprise Zone.

- f. Notwithstanding subparagraphs a. and b. above, any such property tax abatement shall not exceed the term of the Taylorville-Christian County Enterprise Zone.
  - g. For purposes hereof, "industrial projects" is defined as and shall mean those projects where the primary use of the project land and building(s) is of a manufacturing or assembling or coal mining or power plant or wholesale or warehouse/distribution nature.
  - h. For purposes hereof, "commercial projects" is defined as and shall mean those projects where the primary use of the project land and building(s) is of a retail or service nature; and commercial projects shall also include nursing homes but commercial projects shall not include single family or multi-family residential dwellings.
2. **Sales Tax Exemption.** Each retailer who makes a qualified sale of building materials to be permanently affixed and incorporated into real estate located within the boundary of the Taylorville-Christian County Enterprise Zone, by remodeling, rehabilitation or new construction of commercial or industrial property, may deduct receipts from such sales when calculating the retail sales tax imposed by the State of Illinois under and pursuant to Retailers' Occupation Tax Act (35 ILCS 120/1). For purposes hereof, "qualified sale" means a sale of building materials that will be incorporated into real estate as part of an industrial project or a commercial project for which a Certificate of Eligibility Sales Tax Exemption has been issued by the Zone Administrator. To document the exemption, the retailer must obtain from the purchaser a copy of the Certificate of Eligibility for Sales Tax Exemption issued by the Zone Administrator. The Certificate of Eligibility of Sales Tax Exemption must contain:
- a. A statement that the building project identified in the Certificate meets all the requirements for the building material exemption contained in the Enterprise Zone;
  - b. The location or address of the building project; and
  - c. The signature of the Zone Administrator.

In addition, the purchaser must furnish certification to the Zone Administrator and the retailer must obtain certification from the purchaser that contains:

- a. A statement that the building materials are being purchased for incorporation into a commercial or industrial real estate facility located or to be located in the Enterprise Zone;
- b. The location or address of the real estate in to which the building materials will be incorporated;
- c. The name of Taylorville-Christian County Enterprise Zone;
- d. A description of the building materials being purchased; and
- e. The purchaser's signature and date of purchase.

For purposes hereof:

- a. For purposes hereof, "industrial projects" is defined as and shall mean those projects where the primary use of the project land and building(s) is of a manufacturing or assembling or coal mining or power plant or wholesale or warehouse/distribution nature.
  - b. For purposes hereof, "commercial projects" is defined as and shall mean those projects where the primary use of the project land and building(s) is of a retail or service nature; and commercial projects shall also include nursing homes but commercial projects shall not include single family or multi-family residential dwellings.
3. **Shopsteading / Homesteading.** The City or County shall be authorized and may elect to sell a publicly-owned structure (for \$100 or less) to a Designated Zone Organization (DZO) which, in turn, may lease or re-sell the renovated or otherwise improved structure to a qualifying commercial or industrial business locating within the Taylorville-Christian County Enterprise Zone. A similar program for residential properties located within the Taylorville-Christian County Enterprise Zone could also be offered to individuals after such dwelling units have been renovated and are suitable for occupancy.
  4. **State Enterprise Zone Incentives.** The City and County hereby declare their intent to claim and utilize as appropriate certain state-level tax incentives and other inducements for qualifying projects located within the Taylorville-Christian County Enterprise Zone, said state incentives and inducements may include, but are not necessarily limited to: an increase (from 0.50% to 1.00%) in the state's investment tax credit provisions (including a carry forward provision); the state's job tax credit for the employment of qualifying



dislocated or lower-income individuals at businesses or industries located within the Enterprise Zone; and other appropriate state incentives.

## SECTION VI. DESIGNATED ZONE ORGANIZATION

- A. **Designated Zone Organization.** Although the City and the County have not as yet designated any local entity or entities to serve as a "Designated Zone Organization" (DZO) for the Taylorville-Christian County Enterprise Zone, the City and the County reserve the right to do so should they determine such action is warranted. Any such designation shall be by City and County ordinances and shall specify the specific function(s) and/or services to be performed by such local entity(ies) on behalf of the Taylorville-Christian County Enterprise Zone.

## SECTION VII. MISC.

- A. This Agreement is hereby adopted for general guidance and direction to the future operation and management of the Taylorville-Christian County Enterprise Zone and shall become effective upon its certification (as part of a broader zone annexation and extension application) by the Department.
- B. This Agreement shall govern the future operation and management of the Enterprise Zone and the Enterprise Zone Intergovernmental Agreement entered into on August 14, 1990 by and between the City and the County is hereby rescinded; provided, however, any sales tax exemption and/or any property tax abatement and/or waiver of any building permit fee heretofore authorized under said August 14, 1990 Agreement shall be governed by the terms and provisions of said August 14, 1990 Agreement.
- C. This Agreement may be amended from time to time provided both the City and the County mutually agree to any such amendments.

City of Taylorville, Illinois,  
a municipal corporation

By: \_\_\_\_\_


Jim Montgomery, Jr.  
Mayor, City of Taylorville

County of Christian, Illinois,  
a governmental entity

By: \_\_\_\_\_


John C. Curtin, Chairman  
Christian County Board

## **What is the sales tax deduction?**

The "Retailers' Occupation Tax Act" 35 ILCS 120/5k, as amended provides that:   
"Each retailer whose place of business is within a county or municipality which has established an enterprise zone pursuant to the "Illinois Enterprise Zone Act" and who makes a sale of building materials to be incorporated into real estate in such enterprise zone by remodeling, rehabilitation or new construction, may deduct receipts from such sales when calculating the tax imposed by this Act."


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## **What is the retailer's role?**

A retailer who is located within the municipality or unincorporated area of a   
county which has an established enterprise zone and who makes a sale of building materials to be incorporated into that enterprise zone may offer a point of sale exemption of the sales tax and deduct the receipts from those sales on the retailer's sales tax return. The retailer does not charge sales tax on these sales.


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## **Who is an eligible retailer?**

Any retailer whose place of business is within the corporate limits of the   
municipality or within the unincorporated area of the county that authorized the enterprise zone is eligible to deduct receipts from such sales when calculating the tax imposed by the "Retailers' Occupation Tax Act" (ROTA).


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## **How does the enterprise zone sales tax deduction effect the Regional Transit Authority Retailers' Occupation Tax (RTA ROT), the Metro-East ROT, the County Water Commission Tax and the County Supplemental Tax?**

Once the gross receipts from sales of building materials are excluded from the   
Illinois Retailers' Occupation Tax base by virtue of exempted building materials, these receipts are also excluded from the RTA and the Metro-East ROT base.

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## **What is the purchaser's role?**

The purchaser must give the retailer a signed Purchaser's Statement providing   
the address of the property located within the enterprise zone and attesting that the materials purchased will be incorporated into that property only.

### **Do all retailers offer a point of sale exemption?**

No. Retailers are not required by law to participate. The purchaser must ask the retailer for cooperation on this incentive. Retailers have, however, demonstrated good cooperation throughout the history of this program, as this incentive permits them to give customers a "break" without cost to themselves.

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### **What qualifies as "building materials" eligible for the sales tax deduction?**

Building materials that are eligible for the enterprise zone sales tax deduction include items that are permanently affixed to real property such as lumber, mortar, glued-down carpets, paint, wallpaper and similar affixed items.

RE: Public Act 97-905

To Whom It May Concern:

In August of 2012, the Illinois General Assembly passed Public Act 97-905, which transfers the authority to issue building material exemption certificates from the Enterprise Zone Administrators to the Illinois Department of Revenue. The Enterprise Zone Administrator must submit an application for each contractor who is seeking a building material exemption certificate for a qualified project. Beginning July 1, 2013, these contractors will not receive the sales tax exemption unless they or another entity making the purchases for the project is in possession of a "Building Materials Exemption Certificate" issued by the Illinois department of Revenue.

To ensure that your business is issued the required Building Materials Exemption Certificate and remains eligible for the sales tax exemption benefits it is imperative that you submit a new updated application to our office as soon as possible. Failure to supply the information now requested by the Illinois Department of Revenue could result in a refusal to issue the certificate.

We have attached an informational bulletin from the Illinois Department of Revenue that may answer additional questions. Please feel free to contact our office for any assistance we may be able to provide.

Respectfully,

Mayor Greg Brotherton  
Co-Zone Administrator

County Board Chairman Paul Schmitz  
Co-Zone Administrator

