

ENTERPRISE ZONE INCENTIVES IN WILLIAMSON COUNTY, ILLINOIS

Abatement of Real Estate Taxes for New Construction or Renovation/Rehabilitation

1. Eligible properties: Commercial, industrial or manufacturing property. Also residential property improved through the urban homesteading program. Property must be located in the enterprise zone.
2. Abatement amounts: 100% of the value of the improvements for the assessment year in which the improvements are made, 80% for the second year, 60% for the third year, 40% for the fourth year, and 20% for the fifth year. The provisions of this five year abatement apply only to improvements (new construction/renovation/rehabilitation) which start on or after the effective date of the extension, which will be July 1, 2011. This incentive is in effect from July 1, 2011 to June 30, 2016.
3. Threshold level: Abatement only applies for improvements costing more than \$10,000 market value and for which a building permit or certificate of eligibility is secured
4. Limitation: The abatement of taxes on any parcel shall not exceed the amount attributable to construction of the improvements and the renovation or rehabilitation of existing improvements on the parcel.

Local Sales Tax Deduction for Building Materials

1. Affected areas: Any retailer within the State of Illinois selling building materials to an eligible project located in an enterprise zone may deduct eligible receipts for building materials from such sales when calculating the municipal or county retailer's occupation tax. However, retailers are not compelled by the State of Illinois to participate in the sales tax program.
2. Eligible projects: Projects involving remodeling, rehabilitation, or new construction of structures or permanent improvements incorporated into real estate for which a building permit is required.
3. Included materials: 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. As a general rule of thumb; if the property should change ownership, any building materials that would

remain with the property rather than transfer with the owner would qualify for the deduction.

4. Excluded materials: Materials for maintenance, repair, or normal upkeep of property are not subject to the sales tax exemption.
5. Documentation required: The entity seeking a sales tax exemption must fill out a Purchaser's Statement form for the retailer and also submit a copy of the Certificate of Eligibility for Sales Tax Exemption showing the project is in an enterprise zone.

Permit Fees Waived:

1. Eligible Projects: Rehabilitation, expansion or new construction or commercial, industrial, manufacturing or community development assisted projects within the zone.
2. Permit fees affected: Building, plumbing, electrical, excavation, demolition, site plan and zoning certificate fees where a building permit or certification of eligibility is otherwise required and has been obtained for the rehabilitation, expansion or new construction.
3. Permit fees not covered: Fees charges for mere repair or replacement of electrical, plumbing, or mechanical systems are not included in the fee waiver. Filing fees for rezoning and special use application are not waived.

(Note: This provision only waives the permit fees. Required permits still must be secured.)