

## **The Illinois EDGE Program**

The Illinois EDGE (Economic Development for a Growing Economy) program is intended to help level the playing field between Illinois and its neighboring Midwestern states when competing for the location of large job creation projects.

### **Program Description**

The Illinois EDGE program is administered by the Illinois Department of Commerce and Economic Opportunity (DCEO). A Business Investment Committee of the Illinois Economic Development Board (IEDB) makes recommendations regarding the types of projects that may seek this tax credit. 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 the firm for up to a total of 10 years for each project.

While each annual tax credit amount cannot be larger than the firm's state income tax liability (the income tax credits would not be refundable), the credit can be carried forward for up to five years.

Each firm 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 potential of Illinois; for example, manufacturing or services exported out of state would be acceptable, but not retail trade and personal services.

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

Each project must commit to make a capital investment in the state of at least \$5 million and must create a minimum of 25 new jobs (excluding recalls, transfers, etc.), or the project must meet the investment and job creation, and/or retention requirements as set forth by DCEO.

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.