

EDGE: Economic Development for a Growing Economy

The Illinois EDGE program is a new targeted tax incentive program that provides state income tax credits to businesses that create new jobs and make capital investments in Illinois.

The Illinois EDGE program is operated by the Illinois Department of Commerce and Community Affairs (DCCA). A new Business Investment Committee of the Illinois Economic Development Board (IEDB) will make recommendations regarding the types of projects that may seek this tax credit. DCCA's review will be based on written applications submitted by interested firms.

ELIGIBILITY

- EDGE is available to firms newly locating or expanding in any county in Illinois (In-state relocation may be eligible under special circumstances as determined by the Committee and DCCA)
- Manufacturing, tourism, or interstate service sales (excluding retail and professional services) may apply. To be eligible, firms must add an overall positive impact to the state's economy.
- Businesses must invest at least \$5 million in capital improvements and create a minimum of 25 new jobs: OR
- A minimum investment in capital improvements and a minimum number of new jobs created as determined by the Committee and DCCA based on the public benefit of the project.
- Company must maintain operations in place in Illinois during the entire term of the credit agreement.
- Company must maintain the investment and the jobs outlined in the credit agreement.

PROOF: Applicant firms must demonstrate that

- The project is economically sound and increases employment opportunities in Illinois.
- That "but for" the inducement, the project would not occur in Illinois.
- A cost differential or incentive differential exists in relation to a competing state location.
- The project provides an overall positive fiscal impact to Illinois.

TAX CREDIT

- Calculated from the personal income tax collected on salaries paid to employees holding the new jobs created.
- Taken as a non-refundable annual tax credit against the corporate state income tax liability over a period not to exceed 10 taxable years (These tax credits can be carried forward for five years.)

LIMITS ON TAX CREDITS

- Credits cannot exceed the corporate income tax liability of the firm.
- Credits cannot exceed the personal income tax collected on salaries paid for the new jobs created.
- Credits cannot exceed costs incurred by the applicant for its project.