



State of Illinois
ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY
Program Detail

COMMON NAME: EDGE

LEGAL NAME: Economic Development for a Growing Economy Tax Credit

STATUTORY CITATION: 35 ILCS 10/5-15

PROGRAM TYPE: Business Recruitment and Expansion

TYPE OF BENEFITS: Tax Credit

DESCRIPTION OF BENEFITS: The EDGE program is designed to offer a special tax incentive to encourage companies to locate or expand operations in Illinois when there is active consideration of a competing location in another State. The program can provide tax credits to qualifying companies, equal to the amount of state income taxes withheld from the salaries of employees in the newly created jobs. The credits would be available to a company for up to a total of 10 years for each project. While each annual tax credit amount cannot be larger than the company's state income tax liability, the credit can be carried forward for up to five years.

ALLOWED USES OF BENEFITS: The development project must add to the export the potential of Illinois. The project must be an expansion of an existing operation or a new location. Company relocations within Illinois are eligible for consideration only if there is a documented and substantiated business reason why their current location is inadequate.

ELIGIBLE GEOGRAPHIC AREA: Statewide

ELIGIBLE BUSINESS TYPES: All

BENEFITS ELIGIBILITY REQUIREMENTS: Companies 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. In order to be eligible, the company project must:

1. Add to the export potential of Illinois;
2. Be an expansion of an existing operation, or a new location;

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3. 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.); Company's with less than 100 employees must make a capital investment of at least \$1 million and must create a minimum of 5 new jobs, or the project must meet the investment and job creation, and/or retention requirements set forth by DCEO;
4. The Applicant must demonstrate the following “but for”:
 - that if not for the credit, the Project would not occur in Illinois due to multi-state location options,
 - at least one other state is being considered for the project,
 - receipt of the credit is a major factor in the Applicant's decision, or
 - The credit is essential to the Applicant's decision to create and/or retain jobs in the state.

It is necessary to identify the estimated project cost differential, using the best available data, for the Applicant's project compared competing states, including the impact of the competing state's incentive programs. The cost differential should demonstrate specific costs of labor, utilities, taxes, and other costs of an out-of-state site or the industry's cost structure in the competing region; and specific cost differential due to the impact of a competing state's incentive programs

SPECIAL REQUIREMENTS: The non-refundable credits may be used against corporate income taxes to be paid over a period not to exceed 10 years. To qualify a company must provide documentation that attests to the fact of competition among a competing state, and agree to make an investment of at least \$5 million in capital improvements and create a minimum of 25 new full-time jobs in Illinois. For a company with 100 or fewer employees, the company must agree to make a capital investment of \$1 million and create at least 5 new full-time jobs in Illinois.

INTERNET LINKS: Illinois Department of Commerce and Economic Opportunity (DCEO): www.illinoisbiz.biz

SOURCES: Illinois Department of Commerce & Economic Opportunity
Bureau of Business Development
620 East Adam
Springfield, Illinois 62701
Tel 217-524-8449 - TDD 800-785-6055