

## DEKALB COUNTY ENTERPRISE ZONE Description of Incentives and Benefits

### Local Municipal and County Incentives

**Countywide Enterprise Zone Property Tax Abatement** - Eligible industrial projects within the boundaries of the DeKalb County Enterprise Zone may qualify for a 5-year local Property Tax Abatement from participating taxing bodies. This applies to the Genoa, Sycamore, Waterman, and Sandwich portions of the Zone.

Under this program, Logistics and Distribution, Industrial/Manufacturing, and Knowledge-Based projects calling for new construction or physical expansion may be eligible for the following tax abatement schedule from participating taxing bodies subject to minimum project size, job creation and wage requirements described below.

- ✓ **90% during Year 1 followed by 80/70/60/50% during subsequent years.**

**Interstate Competition Market (ICM) Property Tax Abatement** - Industrial projects in within 3½ miles of I-88 – the Interstate Competition Market – may qualify for an extended 10-year Property Tax Abatement in the City of DeKalb.

Under this program, development projects calling for new construction or physical expansion maybe eligible for the following tax abatement schedule from participating taxing bodies subject to minimum project size, job creation and wage requirements described below.

- ✓ **90% during Year 1 followed by 80/50/50/50/40/30/20/10/0% during subsequent years for Logistics and Distribution Projects;**
- ✓ **90% during Year 1 followed by 80/70/60/50/40/30/20/10/0% during subsequent years for Manufacturing Facilities; and**
- ✓ **90% during Year 1 followed by 90/80/70/60/40/30/20/10/5% during subsequent years for Knowledge-Based Industries Facilities.**

**High Impact Project ICM Property Tax Abatement** - Extraordinarily large Manufacturing, Distribution and Knowledge-Based projects within the Interstate Commerce Market (ICM) portion of the DeKalb County Enterprise Zone, located within 3½ miles of the centerline of I-88, may qualify for longer term property tax abatements.

- ✓ **Employment-intensive Manufacturing and Distribution projects calling for the minimum investment of \$100 million in the construction of 900,000 SF of building space and the creation of 400 jobs would qualify for a 15-year, 50% per year property tax abatement.**
- ✓ **Capital-intensive Knowledge-Based projects calling for the minimum investment of \$800 million in the construction of 900,000 SF of building space and the creation of 50 jobs would qualify for a 20-year, 55% per year property tax abatement.**

These incentives would be available upon application and determination of qualification by the DeKalb County Enterprise Zone Administrator (DCEDC), concurrence by the DeKalb County Enterprise Zone Advisory Board (for property Tax Abatement), and issuance of the Building Material Exemption Certificates (BMEC's) by the Illinois Department of Revenue. Applications and the DeKalb County Enterprise Zone Process Guide are available at <https://dcedc.org/enterprise-zone> .

## Qualifications/Requirements – DeKalb County Enterprise Zone Property Tax Abatement

### Countywide Enterprise Zone Industrial Development Property Tax Abatement

- ✓ **Logistics (& Distribution) projects** require construction of a minimum of 10,000 SF and the creation of 20 full-time permanent new jobs for new construction projects; and construction of a minimum of 5,000 SF and 10 full-time permanent new jobs for expansion projects.
- ✓ **Industrial (Manufacturing & Assembly) projects** require construction of a minimum of 10,000 SF and the creation of 20 new full-time permanent jobs for new construction projects; and construction of a minimum of 5,000 SF and 10 full-time permanent new jobs for expansion projects.
- ✓ **Knowledge-Based facilities** (research-oriented projects such as biotechnology, electronics, data centers and/or professional services such as engineering, architecture, finance and law) require construction of a minimum of 10,000 SF and the creation of one (1) full-time permanent job for every 350 SF of space for new construction projects; and construction of a minimum of 5,000 SF and creation of one (1) full-time permanent job for every 350 SF of space for expansion projects.

### Interstate Competition Market (ICM) Enterprise Zone Industrial Development Property Tax Abatement

- ✓ **Logistics (& Distribution) projects** require construction of a minimum of 100,000 SF and the creation of 20 full-time permanent new jobs for new construction projects; and construction of a minimum of 50,000 SF and 10 full-time permanent new jobs for expansion projects.
- ✓ **Industrial (Manufacturing & Assembly) projects** require construction of a minimum of 15,000 SF and the creation of 20 new full-time permanent jobs for new construction projects; and construction of a minimum of 7,500 SF and 10 full-time permanent new jobs for expansion projects.
- ✓ **Knowledge-based facilities** (research-oriented projects such as biotechnology, electronics, data centers and/or professional services such as engineering architecture, finance and law) require construction of a minimum of 10,000 SF and the creation of one (1) full-time permanent job for every 350 SF of office space for new construction projects; and construction of a minimum of 5,000 SF and creation of one (1) full-time permanent job for every 350 SF of office space for expansion projects.

### Wage Requirements

- ✓ **Logistics (Distribution) and Industrial (Manufacturing & Assembly) Companies** must pay an average wage equal to 140% of the Illinois minimum wage in effect on January 1 of each calendar year, with no starting wage less than 120% of the Illinois minimum wage.
- ✓ **Knowledge-Based Companies** (research-oriented projects such as biotechnology, electronics, data centers and/or professional services such as engineering architecture, finance and law) must pay an average wage equal to 160% of the Illinois minimum wage in effect on January 1 of each calendar year, with no starting wage less than 120% of the Illinois minimum wage.

### State of Illinois Enterprise Zone Incentives

Commercial or industrial development projects located in the DeKalb County Enterprise Zone are eligible for the following:

- ✓ **Exemption on sales tax paid on building materials** for new construction, expansion, interior buildout, or renovation. Applies to items that are permanently affixed to real property such as steel, lumber, plumbing, electrical and HVAC systems, mortar, glued down carpets, paint, wallpaper and similar affixed items.
- ✓ **Investment tax credit** of .5 percent of qualified property. Examples of qualified property include buildings, structural components of buildings, elevators, materials, tanks, boilers and major computer installations. Examples of non-qualifying property include land, inventories, small personal computers, trademarks and other small non-depreciable or intangible assets.
- ✓ **Natural gas use tax exemption** - Companies located in an Enterprise Zone are entitled to an exemption on state sales tax for “wheeled” or open market natural gas transactions. To receive the exemption, Form RG-61 Gas Use Tax Exemption Certificate must be completed and given to your natural gas supplier.

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