



STATE OF ILLINOIS INCENTIVE AND FUNDING PROGRAMS

The Illinois Department of Commerce and Economic Opportunity (DCEO) offers a wide array of programs and services designed to help Illinois' businesses thrive in today's economy. DCEO provides expansion incentives, technology support services, access to capital, global marketing expertise, and job training and education for workers. The trained staff is committed to forging partnerships with the private sector in an effort to build upon Illinois' reputation as a world class center for business and industry. This includes a strong emphasis on programs designed to provide small businesses—particularly minority and female entrepreneurs—with resources needed to succeed and grow their business opportunities.

It is best to approach the DCEO through the Quad Cities Chamber to improve your chances of success.

ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY TAX CREDIT PROGRAM (EDGE)

This program offers 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 from the newly created jobs. 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.

ENTERPRISE ZONE PROGRAM

This program stimulates economic growth and neighborhood revitalization in economically depressed areas of the state through state and local tax incentives, regulatory relief and improved governmental services. Businesses located or expanding in an Illinois enterprise zone may be eligible for the following incentives: an exemption on the retailers' occupation tax paid on building materials, an investment tax credit of .5% of qualified property and an enterprise zone jobs tax credit for each job created in the zone for which a certified dislocated worker or economically disadvantaged individual is hired.

COMMUNITY DEVELOPMENT ASSISTANCE PROGRAM (CDAP)

This grant program, funded through the U.S. Department of Housing and Urban Development, assists Illinois communities by providing grants to local governments to help them in financing economic development projects, public facilities

and housing rehabilitation. The program is targeted to assist persons of low- or moderate-income by creating job opportunities and improving the quality of their living environment.

SMALL BUSINESS JOB CREATION TAX CREDIT

This program provides small business owners and non-profits with an extra boost to grow their business. After creating one or more new, full-time positions that meet the eligibility requirements, small businesses can register online to receive a \$2,500 per job tax credit. The program officially went live on July 1, 2012 and this is for new jobs created July 1, 2012 to June 30, 2016. For more information, visit jobstaxcredit.illinois.gov/Default.aspx

INDUSTRIAL DEVELOPMENT REVENUE BONDS (IRBS)

The Illinois Finance Authority issues tax-exempt IRBs on behalf of manufacturing companies to finance the acquisition of fixed assets including land, buildings and equipment. Bond proceeds may be used for either new construction or renovation, and may be used to purchase new equipment. These bonds are long-term financing at interest rates lower than conventional financing, usually below prime.

LARGE BUSINESS DEVELOPMENT PROGRAM (LBDP)

LBDP provides grants to businesses undertaking a major expansion or relocation project that will result in substantial private investment and the creation and/or retention of a large number of Illinois jobs. Funds available through the program may be used by large businesses for bondable business activities, including financing the purchase of land or buildings, building construction or renovation, and certain types of machinery and equipment. Grant eligibility and amounts are determined by the amount of investment and job creation or retention involved.

ADVANTAGE ILLINOIS

This program provides critical resources to help small businesses and entrepreneurs continue to drive economic recovery and create jobs, including lending support, tax cuts, and other opportunities

• Capital Access Program (CAP)

CAP encourages financial institutions to make loans to small and new businesses that do not qualify under conventional lending policies. CAP is a form of loan portfolio insurance, which provides additional reserve coverage to the lender on loan defaults. By participating in CAP, lenders have



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available to them a proven financing mechanism to meet the needs of financial institutions and Illinois small businesses.

For more information, visit ildceo.net/dceo/Bureaus/Advantage+Illinois/Capital+Access+Program/

• Participation Loan Program (PLP)

PLP is designed to enable small businesses to obtain medium to long-term financing in the form of term loans to help them grow and expand their businesses. DCEO participation is subordinated to the lender and has a “below market” interest rate. For more information visit ildceo.net/dceo/Bureaus/Advantage+Illinois/Participation+Loan+Program

AG INVEST PROGRAM

This loan program reduces interest rates for agricultural professionals and farmers, so that they have increased affordability for planting and harvesting crops, and can explore opportunities in agribusiness and rebound from difficult economic times. For approved projects, the Treasurer’s Office “buys down” the interest rate, enabling the borrowers to secure below-market rates for either one year or up to the first five years of the loan. For more information, visit treasurer.il.gov/programs/ag-invest/ag-invest.aspx.

BUSINESS INVEST PROGRAM

With the goal of strengthening businesses, this interest rate reduction program helps to provide opportunities for businesses to grow, expand, and ultimately create new jobs. Business Invest interest rate reduction can be used to acquire land, purchase equipment, provide working capital, buy inventory, or make capital improvements that will lead to job creation. Child care providers can also use this program for real estate acquisition, construction, or to purchase equipment that will lead to the creation of more spaces to enroll additional children. The interest rate is available for two years with the possibility of a three-year extension.

COMMUNITY INVEST PROGRAM

This program offers interest rate reductions to particular consumers and community development agencies to improve quality of life standards.

- Illinoisans with disabilities can use this program to finance construction projects or purchase equipment that will help them achieve greater mobility and self-sufficiency.
- Members of the U.S. National Guard and U.S. Military Reserves use the program to help support their families financially during deployment or to help with expenses after active duty.
- Storm victims whose property has sustained weather-related damage.
- Non-profit organizations can use the interest rate reduction to expand or improve their operations for the public good, or to restore landmark buildings or historical structures for the benefit of future generations.
- Health care providers can use this to help cover the cost of improvements, including construction expansion or new equipment.

For more information, contact the Illinois State Treasurer’s Office (400 W. Monroe Street, Suite 401, Springfield, IL 62704) by calling 217.782.6540 or visiting treasurer.il.gov/programs/community-invest/community-invest.aspx.