

DOUGLAS COUNTY ENTERPRISE ZONE

Your Project May Qualify for Incentives

Please read through the following information carefully, and call the Douglas County Economic Development Corporation at (217) 253-2552 with questions or for additional information

Incentives Available for Qualifying Projects:

Sales Tax Exemption for Building Materials

A state sales tax exemption for eligible building materials is available for projects located within the enterprise zone. Sales Tax Exemptions are only available for new materials that will be permanently affixed to the property and purchased from a qualified Illinois retailer. Labor costs are ineligible to receive Sales Tax Exemptions. Vendors must obtain Sales Tax Exemption Certificates directly from the Illinois Department of Revenue to utilize the Sales Tax Exemption.

Property Tax Abatement

A three to five year abatement of property taxes from multiple taxing bodies is available for new projects located within the Enterprise Zone. The abatement percentage and timeframe varies based on the type of project and number of jobs created by the project.

Eligibility Criteria

Eligible Uses	Minimum Project Cost and Job Creation
Industrial Office Manufacturing Logistics/Distribution Center	\$200,000 to receive Property Tax Abatement plus one full-time job created
Commercial Retail	Minimum of \$15,000 increase in EAV from the project

Location Requirements

The project must be located within the Douglas County Enterprise zone. Please see attached map, or go online at <https://tuscola.org/docoezone>

- to determine if your project is located within the Enterprise Zone
- Properties that are also located within a Tax Increment Finance District are eligible to receive Sales Tax Exemption Certificates but are not eligible for Property Tax Abatement through the Enterprise Zone.

How do I obtain Enterprise Zone Incentives?

1. Determine if your project is eligible

- A. Review eligibility criteria.
- B. Contact the Douglas County EDC Enterprise Zone Administrator at (217) 253-255

2. Obtain a valid Building permit from the appropriate jurisdiction.

- A. An approved copy of the issued building permit must be submitted with the application

3. Complete EZ Project Application: <https://tuscola.org/docoezone>

4. Form for Sales Tax Exemption (Addendum A)

- A. Each entity seeking a Sales Tax Exemption certificate (contractors, subcontractors, etc.) must fill out a new Addendum A
- B. If the application is approved by staff it will be forwarded to the Illinois Department of Revenue. The Department of Revenue will issue a sales tax exemption certificate by email within 72 hours of receiving the application.
- C. To receive Sales Tax Exemption Certificates, Addendum A must be completed prior to purchase of materials.
- D. Addendum A is available at <https://tuscola.org/docoezone>

Form for Property Tax Abatement (MOU-Addendum B)

- A. Each property owning entity must fill out their own Memorandum of Understanding (MOU)
- B. The property owner will be contacted directly by staff if the application for abatement is approved. Property Tax Abatements typically appear on the tax bill that is issued two calendar years after the completion of the project.
- D. Addendum B is available at <https://tuscola.org/docoezone>

5. Sign Abatement Agreement

- A. Signed Abatement Agreements can be submitted at the Douglas County EDC office located at 214 N. Main, Tuscola, IL 61953 or emailed to brian.moody@tuscola.org

6. Submit all required fees (see attached Fee Document)

- A. The Douglas County EDC accepts cash or checks at 214 N. Main, Tuscola, IL 61953
- C. To receive Sales Tax Exemption Certificates, fees must be paid prior to purchase of materials.

Douglas County Enterprise Zone Fees

The Douglas County EDC will collect Enterprise Zone fees from the property owning entity for administration of the Zone. Douglas County EDC will administer Sales Tax Exemption Certificates after submittal of Sales Tax Exemption Certificate Fees. The following fees apply to projects located within the Douglas County Enterprise Zone.

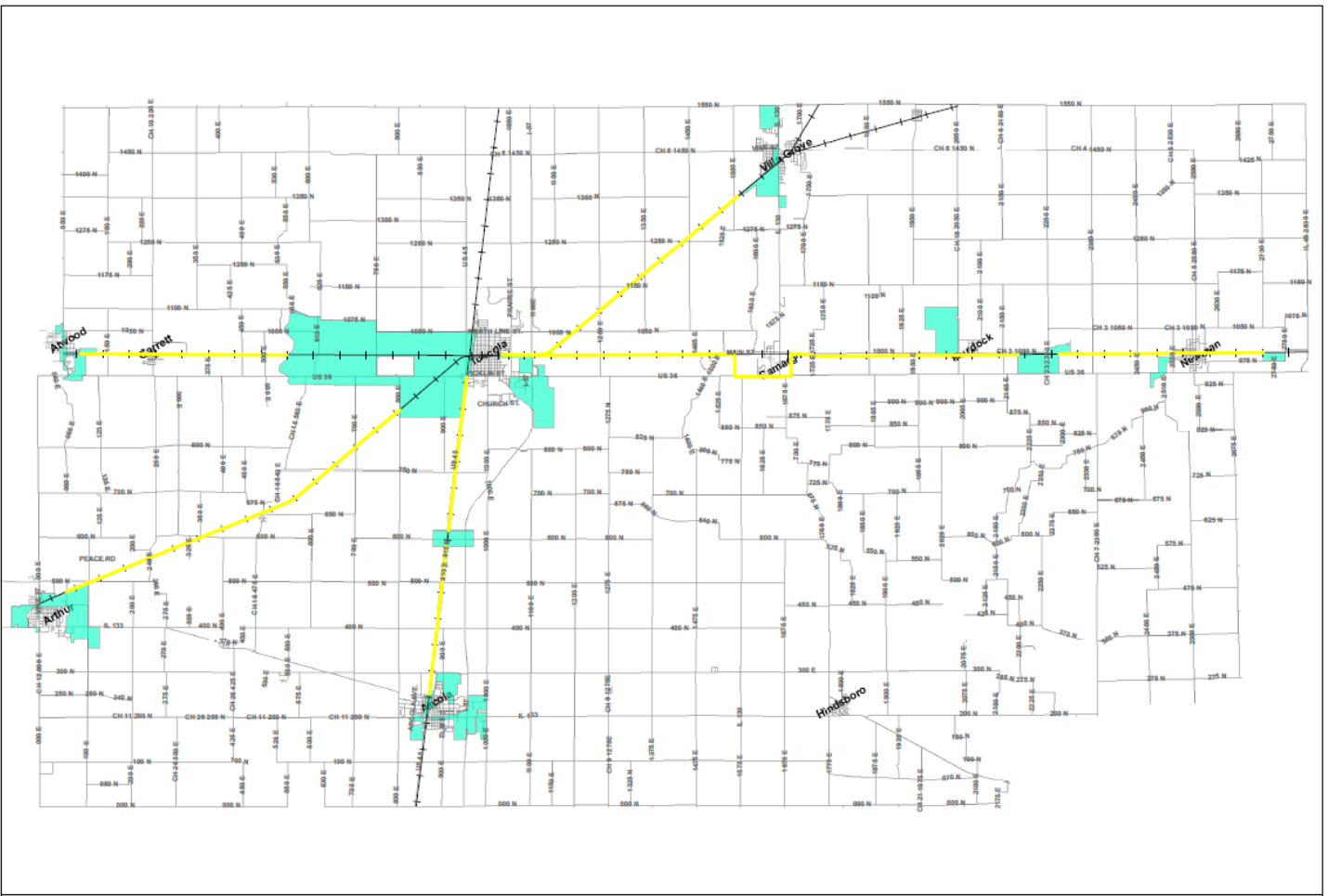
Service	Fee
Sales Tax Exemption Certificate	0.5% of total eligible construction materials costs, not to exceed \$50,000.
Enterprise Zone Boundary Amendment	\$5,000 Requests for a Boundary Amendment must be approved by Douglas County EDC staff prior to fee assessment.

** A single project's combined enterprise zone fees may not exceed \$50,000 per state statute*

Examples of Sales Tax Exemption Fees at Given Building Materials Cost Levels

Fees are calculated at 0.5% of total eligible building material costs for the project. Building materials that are eligible for the sales tax deduction include items that are permanently affixed to real property such as lumber, mortar, glued-down carpets, paint, wallpaper, and similar affixed items.

Construction Materials Cost of the Project	Douglas County Enterprise Zone Fee
\$5,000	\$25
\$10,000	\$50
\$100,000	\$500
\$1 million	\$5,000
\$5 million	\$25,000
\$10 million	\$50,000
>\$10 million	\$50,000



- Connectors
- Enterprise Zone
- +— Railroads
- Local Roads

Enterprise Zone Area = 12.02 sq mile



Enterprise Zone Map
Overview Map
December 1, 2016

Douglas County, IL
Highway Department
GIS Division

Projection: Transverse Mercator
State Plane Illinois East
NAD 1983