



Rivers Edge Redevelopment Zone (RERZ) 2018 Application for Sales Tax Exemption on Building Materials

This application is for the purpose of applying to the Illinois Department of Revenue (IDOR) for a Certificate of Eligibility for Sales Tax Exemption

New for 2017:

Per IL State Statute, project owners are required to submit a RERZ Project Close Out Report to the City of Peoria no later than 60 days after a project is completed. The Project Close Out Report is included in the RERZ application. Failure to submit the RERZ Project Close Out Report will result in ineligibility of future participation in the RERZ program and benefits.

RERZ Applications and Project Close Out Reports should be mailed, e-mailed or hand delivered to:

Leslie L. McKnight, PhD
City Hall, 419 Fulton, Suite 207
Peoria, IL 61602
EnterpriseZone@peoriagov.org
Phone (309) 494-8651

RIVERS EDGE REDEVELOPMENT ZONE (RERZ)

PROJECT INFORMATION FORM

STEP 1 - PROJECT OWNERS, please fill out each section on **PAGES 1-2**, as instructed.

STEP 2 - CONTRACTORS and SUBCONTRACTORS, will need to fill out **SECTION 7 on PAGE 4**

STEP 3 - When completed, mail, email, or hand deliver all forms, pages and attachments to:

Mail: Leslie L. McKnight, PhD 419 Fulton St., Ste. 207 Peoria, IL 61602

Email: EnterpriseZone@peoriagov.org

SECTION 1: This section is to obtain information about the project owner. It is typically filled out by the general contractor, property owner or business owner of a development project. This section needs to be completed only once per project.

Legal Business Name: _____

Owner Name: _____ Phone Number: _____

Mailing Address: _____ City: _____ State: _____ ZIP: _____

Email: _____

Federal Employer Identification Number (FEIN): _____

Unemployment Insurance Number (UIN): _____

SECTION 2: This section is to obtain information about the project.

Project Name: _____

Project Address: _____ City: _____ State: _____ ZIP: _____

Building Permit Number: _____ Building Permit Issue Date: _____

Parcel ID #: _____

Full Time Equivalent (FTEs) at project start or initiation _____

FTE jobs are calculated by dividing the total hours worked by persons at the business location in the last complete calendar year by 1820 hours. Include all hours worked at the business location by all salaried and hourly employees.

Project Description: _____

SECTION 3: This section is to obtain estimates about cost, timelines and FTEs regarding the project.

Estimated project completion date: _____

Estimated building materials costs: _____

Estimated labor costs: _____

Estimated FTEs at project conclusion: _____

SECTION 4: Zone Fee - **NO FEE REQUIREMENT FOR RERZ**

SECTION 5: Attachments - Attach the following documents to this application:

- A copy of the building permit issued for the project (if available)

SECTION 6: Certification -

I, _____ (*owner of property*), do solemnly affirm that to the best of my knowledge, the above information is correct and this application complies in all respects with the designating ordinances of the Rivers Edge Redevelopment Zone.

I further affirm that I have read and understand the attached RERZ Sales Tax Exemption Incentives and Requirements and Rivers Edge Redevelopment Zone Property Tax Abatement Incentive and Requirements, and that given such requirements, I wish to explicitly apply for the following local incentives (check with an 'X' all that apply). All other enterprise zone incentives will also be available to the property owner, as applicable.

_____ Sales Tax Exemption on Building Materials
(if marked, fill out page 3/Section 7)

_____ Property Tax Abatement

I furthermore affirm and agree to provide information on investments, certified payroll (if applicable), and jobs created or retained as from time to time may be required for closing out of the project.

Subscribed and sworn to before me this ____ day of

_____, _____.

Notary Seal

Notary Public

(Print Name)

(Signature of Owner Name)

SECTION 7: Each contractor or subcontractor purchasing materials needs to fill out Section 7.
You therefore may need to make copies for each contractor or subcontractor.

Project Name: _____

Project Address: _____ City: _____ State: _____ ZIP: _____

Contractor or Subcontractor Name: _____

Contact Person _____ Phone: _____

Address: _____

Email _____ FEIN #: _____

Total Contract Amount on Project: _____

Contract amount that consists of building materials qualified for exemption \$ _____

Percentage of total contract amount that consists of building materials qualified for exemption: _____%

Applicant's Expected Completion Date: _____

It is the responsibility of the contractor to ensure that all materials qualify under Illinois Department of Revenue requirements.

Signature: _____

Date: _____

Print Name: _____

Title: _____

Rivers Edge Redevelopment Zone Sales Tax Exemption Incentive and Requirements

Each retailer who makes a qualified sale of building materials to be incorporated into real estate in the RERZ for the purpose of remodeling, rehabilitation or new construction, may deduct receipts from such sales when calculating the tax imposed by the State of Illinois under and pursuant to Retailers' Occupation Tax Act (35 ILCS 120/5k), subject to all of the following conditions being met:

- i. The County or Municipality has issued a building or other permit required by any of the applicable codes or ordinances of the County or Municipality (if applicable);
- ii. The project or property owner seeking an incentive does not owe any fines, fees or overdue taxes;
- iii. The State of Illinois has issued a certificate of approval, to the start of construction, a copy of which is required to be provided to the applicable retailer at the time of sale and maintained by such retailer in its books and records for the purposes of documenting any such deduction;
- iv. The exemption allowed hereby shall be limited to and shall only apply to any remodeling, rehabilitation or new construction of any commercial, industrial, or manufacturing building or structure within the zone where the total amount of the project, as per the building or zoning permit, exceeds \$7,500;

Other RERZ Incentives

- **Environmental Remediation Tax Credit:** Allows for a credit against State Income Taxes for some non-reimbursed eligible costs for remediation work done on an RERZ site resulting in a "No Further Remediation Letter" being issued. This requires a joint review by the Department of Commerce and the Illinois Environmental Protection Agency (IEPA). The credit is 0.25 for each dollar spent for non-reimbursed remediation expenses. Contact the IEPA for further information.
- **Dividend Income Deduction:** Allows individuals, corporations, trusts and estates to deduct an amount equal to dividends paid to them by a corporation that conducts substantially all of its operation in the RERZ from their taxable income.
- **Interest Income Deduction:** Allows financial corporations to deduct an amount equal to the interest received for a loan for development in an RERZ from their corporate State Income tax. Loans must be secured by property located within an RERZ.

For more information, click on:

<https://www.illinois.gov/dceo/expandrelocate/incentives/taxassistance/pages/riversedge.aspx>

Rivers Edge Redevelopment Zone Property Tax Abatement Incentive and Requirements

The property owner affirms that this application for property tax abatement meets the conditions set forth in designating ordinances of the Rivers Edge Redevelopment Zone (listed below):

1. The County or Municipality has issued a building or other permit required by any of the applicable codes or ordinances of the County or Municipality.
1. The project or property owner seeking an incentive does not owe any fines, fees or overdue taxes;
2. The project has been certified by the zone administrator or State of Illinois.
3. Abatement of taxes on any parcel shall not exceed the amount attributable to the construction of the improvements and the renovation or rehabilitation of the existing improvements on such parcel.
4. Such abatement shall be allowed only for commercial, industrial or manufacturing property located within the Zone Area.
5. Such abatement shall be for five years at the rate of 100% for the first three years and at the rate of 50% for years four and five, commencing the first year after any improvements have been assessed.
6. As part of the application process for certification of a project, the project owner or owner of the property where a property tax abatement would occur shall agree to not pursue a reduction in assessed value of the property for a minimum of five (5) years following the expiration of the property tax abatement period.
7. The abatement shall apply only to improvements commenced within the Enterprise Zone after designation of the Enterprise Zone by the Designating Local Governments and certification by the State.
8. Any abatement which commences prior to the expiration of the Enterprise Zone shall not continue beyond the expiration of the Enterprise Zone.
9. Any abatement shall also apply within territory lawfully added to the Enterprise Zone subsequent to its certification by the State and shall also apply to any lawfully authorized term extension of the Enterprise Zone.
10. The following provision will apply to all projects involving demolition and new construction:
Any project which involves new construction on a site which previously was occupied by a building(s) will receive the real estate tax abatement on a "net new" basis. That is, the increased assessment amount to be abated will be based on the most recent assessment of the property which included the valuation of the property which included the valuation of the land and original building(s).
11. In the case of property within a redevelopment area created pursuant to the Real Property Tax Increment Allocation Redevelopment Act no abatement shall be granted.

Property tax abatement applies only to the increase in assessed value attributable to the new construction, renovation, or rehabilitation. Participating taxing districts in the Enterprise Zone Abatement Program include: <i>City of Peoria, County of Peoria</i> ,. Property taxes based on the assessed value of land and existing improvements continue to be extended and collected.

Rivers Edge Redevelopment Zone (RERZ)

Project Close-Out Form

STEP 1 - PROJECT OWNERS, please fill out the information below on your Project.

STEP 2 - When completed, mail, email, or hand deliver all forms to:

Mail: City of Peoria, Leslie L. McKnight, PhD, 419 Fulton St., Peoria, IL 61602

Email: EnterpriseZone@peoriagov.org 309-494-8651

SECTION 1: This section is to obtain information about project owner. It is typically filled out by the general contractor, property owner or business owner of a development project. This section needs to be completed only once per project.

Legal Business Name: _____

Owner Name: _____ Phone Number: _____

Mailing Address: _____ City: _____ State: _____ ZIP: _____

Email: _____

SECTION 2: This section is to obtain information about the project.

Project Name: _____

Project Address: _____ City: _____ State: _____ ZIP: _____

SECTION 3: Project Actuals - This section is to obtain actual data on cost, timelines and FTEs.

Actual project completion date: _____

Actual building materials costs: _____ \$

Actual labor costs: _____ \$

Actual Full Time Equivalent (FTEs) at project conclusion: _____

FTE jobs are calculated by dividing the total hours worked by persons at the business location in the last complete calendar year by 1820 hours. Include all hours worked at the business location by all salaried and hourly employees.

SECTION 4: Project Estimates - The following information was provided when you first applied for the RERZ sales tax exemption on building materials. It is here for informational purposes only.

Estimated project completion date: _____

Estimated building materials costs: _____ \$

Estimated labor costs: _____ \$

Estimated Full Time Equivalent (FTEs) at project conclusion: _____