



Department of Economic Development  
John M. Watson Jr., Director  
16226 Wausau Ave. | South Holland, Illinois 60473  
Phone: 708-210-2903 | Fax: 708-210-1019  
[www.southholland.org](http://www.southholland.org)

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## **CALUMET REGION ENTERPRISE ZONE APPLICATION PROCESS**

- Step 1: Business completes Calumet Region Enterprise Zone application and tax exempt subcontractor spreadsheet
- Step 2: Business sends completed application, contractor spreadsheet and appropriate fee to the Zone Office (address on bottom of form)
- Step 3: Zone Administrator sends cover letter describing the project and confirming that the prospect is eligible for Enterprise Zone benefits. A form is enclosed; the cover letter requests that the building department complete the form when permits are issued (this confirms the value of the permit fees). The letter and form are sent to the Director of Economic Development, who will in turn deliver to the Building Department
- Step 4: Building Department sends form back to Zone Office confirming the value of permit fees
- Step 5: Zone Administrator sends business Building Materials Exemption Certificate (s) for use with purchase of building materials

**All projects must complete and submit the Calumet Region Enterprise Zone Application to the Zone Office PRIOR TO ordering materials, receiving permits, and starting construction to receive full benefits.**



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## ***CALUMET REGION ENTERPRISE ZONE FINANCIAL SOLUTIONS***

For property classes: COMMERCIAL- INDUSTRIAL

- ✓ **SALES TAX ABATEMENT** on building materials for projects in the with valid Illinois Department of Revenue (IDOR) building material sales tax exemption certificate
- ✓ **REAL ESTATE TAX ABATEMENT OF FIFTY PERCENT (50%)** on the municipal portion of real estate taxes on the added tax value the project creates. Projects in a TIF or receiving other substantial property tax abatements are NOT eligible for this benefit.
- ✓ **50% DISCOUNT ON LOCAL BUILDING PERMIT FEES.** All other fees and inspection procedures follow local ordinances
- ✓ **STATE OF ILLINOIS GAS USE TAX EXEMPTION.** Form RG-61 to be completed/submitted by the business to IDOR. This requires a minimum \$5 million investment/200 new FTEs; see IDOR Natural Gas distributors, suppliers and purchasers bulletin.

**\*\*All projects must complete and submit the Calumet Region Enterprise Zone Application to the zone office PRIOR TO ordering materials, receiving permits, and starting construction to receive full benefits.**

**Zone will issue Building Materials Exemption Certificate (BMEC) and notify local building departments of the project. Zone will notify Cook County of entitled real estate abatements.**



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## ***BUILDING MATERIALS ELIGIBLE FOR ENTERPRISE ZONE SALES TAX EXEMPTION***

Follow is the description from the Illinois Department of Revenue (IDOR) regarding building materials that are eligible for sales tax exemption in an Enterprise Zone with certificate issued from the Zone Administrator.

### **Qualified Sales of Tangible Personal Property.**

In order to qualify for the building materials exemption under this Section, the materials being purchased must be building materials. That is, they must be purchased for physical incorporation into real estate. For example, gross receipts from sales of:

1. Common building materials such as lumber, bricks, cement, windows, doors, insulation, roofing materials and sheet metal can qualify for the exemption;
2. Plumbing systems and components thereof such as bathtubs, lavatories, sinks, faucets, garbage disposals, water pumps, water heaters, water softeners and water pipes can qualify for the exemption;
3. Heating systems and components thereof such as furnaces, ductwork, vents, stokers, boilers, heating pipes and radiators can qualify for the exemption;
4. Electrical systems and components thereof such as wiring, outlets and light fixtures that are physically incorporated into the real estate can qualify for the exemption;
5. Central air conditioning systems, ventilation systems and components thereof that are physically incorporated into the real estate can qualify for the exemption;
6. Built-in cabinets and other woodwork that are physically incorporated into the real estate can qualify for the exemption;
7. Built-in appliances such as refrigerators, stoves, ovens and trash compactors that are physically incorporated into the real estate can qualify for the exemption;
8. Floor coverings such as tile, linoleum and carpeting that are glued or otherwise permanently affixed to the real estate by use of tacks, staples, or wood stripping filled with nails that protrude upward (sometimes referred to as "tacking strips" or "tack-down strips") can qualify for the exemption.

### **Sales of Tangible Personal Property that Do Not Qualify for the Exemption**

Items that are not physically incorporated into the real estate cannot qualify for the exemption. For example, gross receipts from sales of:

1. Tools, machinery, equipment, fuel, forms and other items that may be used by a construction contractor at an enterprise zone building site, but that are not physically incorporated into the real estate, do not qualify for the exemption;
2. Free-standing appliances such as stoves, ovens, refrigerators, washing machines, portable ventilation units, window air conditioning units, lamps, clothes washers, clothes dryers, trash compactors and dishwashers that may be connected to and operate from a building's electrical or plumbing system but which do not become a component of those systems do not qualify for the exemption;
3. Floor coverings that are area rugs or that are attached to the structure using only two-sided tape do not qualify for the exemption.

# CALUMET REGION ENTERPRISE ZONE APPLICATION

DATE \_\_\_\_\_

## PART I – PROJECT INFORMATION

To be completed by Project Representative

1. NAME OF OWNER \_\_\_\_\_ PERSONAL PHONE # \_\_\_\_\_
2. NAME OF BUSINESS \_\_\_\_\_ BUSINESS PHONE # \_\_\_\_\_
3. STREET ADDRESS \_\_\_\_\_
4. CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_ E MAIL \_\_\_\_\_
5. NAME OF PROPOSED BUSINESS/COMPANY (If different from applicant)  
\_\_\_\_\_
6. ADDRESS OF PROPOSED PROJECT  
\_\_\_\_\_  
  - 6a. FEDERAL EMPLOYER'S IDENTIFICATION NUMBER (FEIN) \_\_\_\_\_
  - 6b. UNEMPLOYMENT INSURANCE NUMBER (UIN) \_\_\_\_\_
  - 6c. STANDARD INDUSTRY CODE (SIC CODE) \_\_\_\_\_
7. NAME OF CONTRACTOR/S (List general contractor and all subs. Each must have their own BMEC (Building Materials Exemption Certificate to purchase materials sales tax exempt).  
**Use Calumet Region Enterprise Zone-Tax Exempt Subcontractor form to submit the information.**
8. GENERAL CONTRACTOR/ NAME \_\_\_\_\_ FEIN# \_\_\_\_\_
9. PHONE \_\_\_\_\_ ADDRESS \_\_\_\_\_  
EMAIL \_\_\_\_\_
10. GENERAL DESCRIPTION OF PROPOSED PROJECT, including any rehabilitation/remodeling of existing structures, new construction, paving or new equipment.  
\_\_\_\_\_  
TYPE AND STYLE OF CONSTRUCTION \_\_\_\_\_  
BUILDING SIZE \_\_\_\_\_ LOT SIZE \_\_\_\_\_  
TYPE OF BUSINESS \_\_\_\_\_  
DESCRIBE OTHER FEATURES \_\_\_\_\_
11. PROJECT CLASSIFICATION  
COMMERCIAL \_\_\_\_\_ INDUSTRIAL \_\_\_\_\_ RETAIL \_\_\_\_\_  
MULTI FAMILY 12 OR MORE UNITS (under same owner) \_\_\_\_\_
12. EXPECTED START DATE OF PROJECT \_\_\_\_\_ EXPECTED COMPLETION \_\_\_\_\_

13. ESTIMATED COST (LABOR AND MATERIALS) OF

A. REMODELING/REHABILITATION	Labor_____	*Materials_____
B. NEW CONSTRUCTION	Labor_____	*Materials_____
Total	Labor_____	*Materials_____

14. NUMBER OF FULL-TIME EQUIVALENT JOBS

A. PRESENTLY AT PROJECT LOCATION \_\_\_\_\_ B. RETAINED\* \_\_\_\_\_

C. CREATED \*\* WITHIN 2 YEARS OF PROJECT COMPLETION \_\_\_\_\_

\* "Retained" means the number of jobs that will remain in the Zone as a result of the investment being made, that otherwise would be lost.

\*\* "Created" means the number of jobs for which persons are newly hired or are expected to be hired within 2 years as a result of the new investment, not including construction jobs. **Owner will be asked to assist us in reporting where these hires are from.**

D. CONSTRUCTION JOBS CREATED \_\_\_\_\_

15. DOES THIS PROJECT INVOLVE A MOVE FROM ANOTHER LOCATION?

YES \_\_\_\_\_ NO \_\_\_\_\_ If yes, indicate City and State \_\_\_\_\_

16. IS THIS PROJECT LOCATED IN A TIF \_\_\_\_\_? HAVE YOU RECEIVED, OR WILL YOU BE APPLYING FOR ANY OTHER REAL ESTATE TAX INCENTIVE \_\_\_\_\_?.

PLEASE EXPLAIN \_\_\_\_\_

**FROM YOUR MOST CURRENT TAX BILL**

17. EQUALIZED ASSESSED VALUATION (EAV) OF EXISTING PROPERTY

LAND	_____
IMPROVEMENTS	_____
TOTAL	_____

18. PROPERTY TAX IDENTIFICATION NUMBER \_\_\_\_\_

19. \_\_\_\_\_

Print Name of Project Representative	Title
Signature of Project Representative	Date

20. ENTERPRISE ZONE ADMINISTRATION FEE

Please send your check for 0.005% of Estimated Building Material Cost (Line 13A and/or Line 13B).

\$ \_\_\_\_\_ (\$200.00 Minimum) Maximum Fee \$50,000.00

**PLEASE MAKE CHECK PAYABLE TO: CALUMET REGION ENTERPRISE ZONE**

**Mail check to Calumet Region Enterprise Zone**

**12159 S. Pulaski Road Alsip, IL 60803 708-653-3122 Attention: Mary Schmidt**

**E mail application to calumetregionezone@gmail.com**

