Cal Sag Enterprise Zone Spurs Growth In The Southern Suburbs

Since the Zone began in 2016 businesses have invested over $82 million in construction, remodeling and rehabilitation. 841 jobs were retained in the Zone and 436 new jobs were created. Several of these projects turned long vacant areas into vibrant thriving business centers. These investments bring new property tax revenues to the Zone towns, and new sales tax to their home communities.

Businesses in designated areas of: Alsip, Blue Island, Calumet Park, Country Club Hills, Dixmoor, East Hazel Crest, Harvey, Hazel Crest, Homewood, Markham, Merrionette Park, Midlothian, Oak Forest, Phoenix, Robbins, Worth and parts of unincorporated Cook County who build new facilities or rehab/remodel their current locations, can receive sales tax abatement on building materials, discounts on local permits, and in some cases real estate tax savings.

For information on how to apply for Zone benefits contact the Zone Office @ 708-653-3122, calsagezone@aol.com or visit www.calsagezone.org.

SUMMARY OF ENTERPRISE ZONE BENEFITS

✦ INCENTIVES ARE BOUNDARY SPECIFIC
✦ NO CASE BY CASE APPROVAL
✦ NO CALLBACK OF INCENTIVES
✦ NO MINIMUM INVESTMENT
✦ SUBSTANTIAL SAVINGS ON YOUR PROJECT IN THE ZONE
✦ PROPERTY CLASSES
COMMERCIAL - INDUSTRIAL
12 OR MORE RESIDENTIAL UNITS UNDER ONE OWNERSHIP

ALL PROJECTS MUST COMPLETE & SUBMIT AN APPLICATION TO THE CAL SAG ENTERPRISE ZONE OFFICE BEFORE ORDERING MATERIALS, RECEIVING PERMITS, OR START OF CONSTRUCTION IN ORDER TO RECEIVE FULL BENEFITS.

ZONE OFFICE WILL ISSUE BUILDING MATERIAL EXEMPTION CERTIFICATES, NOTIFY LOCAL BUILDING DEPARTMENT OF THE PROJECT AND NOTIFY COOK COUNTY OF ENTITLED REAL ESTATE ABATEMENTS.

ZONE ADMINISTRATION FEE .5% OF BUILDING MATERIAL COST
Maximum $50,000 fee

www.calsagezone.org
The Cal Sag Enterprise Zone was created to stimulate development in the Chicago Southland Region.

Visit [www.calsagezone.org](http://www.calsagezone.org) to search by address to determine if your location is in the Cal Sag Enterprise Zone, or contact zone office.

### ZONE INCENTIVES

- **SALES TAX ABATEMENT ON BUILDING MATERIALS FOR ZONE PROJECTS WITH VALID IDOR BUILDING MATERIAL SALES TAX EXEMPTION CERTIFICATE**

  **SAMPLE SALES TAX SAVINGS**

  $250,000 in BUILDING MATERIALS

  \[ \times 8.50\% / .085 = \$21,250.00 \] estimated savings

  *Sales tax can range from 6.25% to 10% depending on where materials are purchased.

  (8.50% is an average used for illustration purposes)

- **50% ABATEMENT OF THE MUNICIPAL PORTION OF REAL ESTATE TAXES FOR 5 YEARS, ON THE ADDED TAX VALUE CREATED BY THE PROJECT**

  Projects in a TIF or receiving other property tax abatements are not eligible for further property tax reduction.

- **50% DISCOUNT ON LOCAL BUILDING PERMIT FEES**

  All other fees and inspection procedures follow local ordinances.

- **GROWTH ZONES**

  Industrial property in an Enterprise Zone in Cook County can apply for assistance gathering critical site information, marketing their site and apply for grants to cover the cost of environmental assessments and remediation.

  [www.growthzones.com](http://www.growthzones.com)

- **GAS USE TAX EXEMPTION FOR ZONE BUSINESSES**

  Form RG61 to be completed / submitted by the business to natural gas provider. See IDOR natural gas distributors, suppliers & purchasers bulletin.

- **INVESTMENT TAX CREDIT**

  The Illinois Income Tax Act allows a 0.5% credit against the state income tax for investment in a qualified property placed in service in an Enterprise Zone. This credit is in addition to any other investment tax credits allowed under The State of Illinois (consult your tax accountant).

- **ENTERPRISE ZONE MANUFACTURING MACHINERY & EQUIPMENT SALES TAX EXEMPTION**

  A business that makes an investment in an Enterprise Zone may be eligible for a manufacturing machinery and equipment sales tax exemption. The business must be certified by the State of Illinois (DCEO).

- **UTILITY TAX EXEMPTION**

  Zone businesses who meet specific criteria may be entitled to a Utility / Telecommunications tax exemption which provides a 5% state tax exemption on gas, electricity & and an exemption of the Illinois Commerce Commission .1% administrative charge and excise taxes on the act or privilege of originating or receiving telecommunications. Contact DCEO for certification.

### STATE OF ILLINOIS INCENTIVES

State of Illinois incentives are subject to change in legislation. [https://www.illinois.gov/dCEO/ExpandRelocate/Incentives/taxassistance/Pages/EnterpriseZone.aspx](https://www.illinois.gov/dCEO/ExpandRelocate/Incentives/taxassistance/Pages/EnterpriseZone.aspx)

The Zone combines State & local incentives to assist businesses, create & retain jobs, and expand the tax base. This valuable economic development tool was awarded through a competitive application process to The Department of Commerce & Economic Opportunity (DCEO). It is in effect until 12/29/2031. [www.illinois.gov](http://www.illinois.gov)

If your business is in one of these designated areas, you may be eligible for these economic incentives.